

Financial Accounting Fundamentals
University of Virginia

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Financial Accounting Fundamentals

by University of Virginia

About this Course

This course, developed at the Darden School of Business at the University of Virginia and taught by top-ranked faculty, will teach you the tools you'll need to understand the fundamentals of financial accounting. Concise videos, the financial records of a small business, and "your turn" activities guide you through the three most commonly used financial statements: the Balance Sheet, the Income Statement, and the Statement of Cash Flows. Beyond recording transactions, you'll learn how to prepare these financial statements, and read and analyze them to draw basic conclusions about a company's financial health.

- By the end of this course, you will be able to:
- Use journal entries to record transactions
 - Prepare and use t-accounts to summarize transactions recorded during an accounting period
 - Describe the three most commonly used financial statements and how they fit together
 - Prepare these financial statements based on transactions recorded during an accounting period
 - Draw basic conclusions about a company's financial health

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Basic Info	Course 1 of 4 in the Entrepreneurship: Growing Your Business Specialization
Level	Beginner
Commitment	5 weeks of study, 2-3 hours/week
Language	English, Subtitles: Arabic, French, Ukrainian, Chinese (Simplified), Greek, Italian, Portuguese (Brazilian), Vietnamese, Dutch, Korean, German, Russian, Thai, Indonesian, Swedish, Turkish, Spanish, Hindi, Japanese, Kazakh, Hungarian, Polish Volunteer to translate subtitles for this course
Hardware Req	N/A
How To Pass	Pass all graded assignments to complete the course.
User Ratings	★★★★☆ 4.8 stars

Syllabus

Week 1
<p>Introduction to Financial Accounting, the Financial Statements, and the Balance Sheet</p> <p>During this first week, we'll learn about the context for financial accounting, including the informational role it plays for both internal and external audiences. We'll explain accounting standards, which ensure financial information is conveyed clearly and effectively. Finally, we'll describe the three primary financial statements as part of a recurring accounting process, called the accounting cycle, and then dive into one of those statements: the Balance Sheet (BS).</p> <p>📄 14 videos, 2 readings, 1 practice quiz</p> <ol style="list-style-type: none">Reading: Welcome to the SpecializationVideo: Introduction to the CourseDiscussion Prompt: Introduce Yourself

- 4. **Reading:** Course Overview
- 5. **Video:** What Is Accounting?
- 6. **Video:** 3 Sets of Books
- 7. **Video:** An Informational Role for Financial Accounting
- 8. **Video:** Accounting Standards Inside the U.S.
- 9. **Video:** Accounting Standards Outside the U.S.
- 10. **Video:** The Financial Statements
- 11. **Video:** The Financial Statements: A Framework
- 12. **Video:** The Accounting Cycle
- 13. **Video:** The Balance Sheet
- 14. **Video:** Assets
- 15. **Video:** Liabilities
- 16. **Video:** Owners' Equity
- 17. **Video:** The Balance Sheet: A Summary
- 18. **Practice Quiz:** Week 1 Practice Quiz


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 **Graded:** Week 1 Graded Quiz

Week 2

Introduction to Recording Transactions

After learning about the Balance Sheet, we're ready to move on to using journal entries to record transactions, then t-accounts to summarize transactions recorded during an accounting period. We'll apply those tools to record transactions for a fictional startup company, The Garden Spot, during its first year of operations (TGS Year 1). As we go along, we'll also evaluate the effect of transactions on the balance sheet equation to ensure it remains balanced.

 13 videos, 1 practice quiz

- 1. **Video:** Introduction to Recording Transactions
- 2. **Video:** T-Accounts: A Tutorial
- 3. **Video:** Journal Entries: A Tutorial
- 4. **Video:** Recording Transactions: Example 1
- 5. **Video:** Recording Transactions: Example 2
- 6. **Video:** Recording Transactions: Example 3
- 7. **Video:** Recording Transactions: Your Turn
- 8. **Video:** Introduction to TGS Year 1
- 9. **Video:** TGS Year 1: Transaction 1
- 10. **Video:** TGS Year 1: Transaction 2
- 11. **Video:** TGS Year 1: Transaction 3
- 12. **Video:** TGS Year 1: Transaction 4
- 13. **Video:** TGS Year 1: Transaction 5 and a Summary
- 14. **Practice Quiz:** Week 2 Practice Quiz
- 15. **Discussion Prompt:** Discuss Interesting and/or Challenging Items


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 **Graded:** Week 2 Graded Quiz

Week 3

The Income Statement, Revenue and Expense Transactions, and Adjusting Entries

Now that we've learned the fundamentals of recording transactions, we're ready to dive into another financial statement: the Income Statement (IS). After learning about the Income Statement, we'll record revenue and expense transactions, and summarize these transactions in a special account. Finally, we'll record adjusting entries in accordance with accrual accounting, prior to the preparation of the financial statements.

 14 videos, 1 practice quiz

- 1. **Video:** Introduction to the Income Statement
- 2. **Video:** Revenues
- 3. **Video:** Expenses
- 4. **Video:** The Income Statement: A Summary

- 5. **Video:** Revenue and Expense Transactions: A Tutorial
- 6. **Video:** Recording Revenue and Expense Transactions: Your Turn
- 7. **Video:** TGS Year 1: Transaction 6
- 8. **Video:** TGS Year 1: Transaction 7
- 9. **Video:** TGS Year 1: Transaction 8
- 10. **Video:** Adjusting Entries: A Tutorial
- 11. **Video:** Recording Adjusting Entries: Your Turn
- 12. **Video:** TGS Year 1: Transaction 9
- 13. **Video:** TGS Year 1: Transaction 10
- 14. **Video:** TGS Year 1: Transaction 11 and a Summary
- 15. **Practice Quiz:** Week 3 Practice Quiz
- 16. **Discussion Prompt:** Discuss Interesting and/or Challenging Items


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 **Graded:** Week 3 Graded Quiz

Week 4

The Statement of Cash Flows, Financial Statement Preparation

After learning about the Income Statement, revenue and expense transactions, and adjusting entries, we’re ready to move on to preparing our end-of-period financial statements. We’ll prepare the Income Statement and Balance Sheet based on the transactions that have been recorded. Then, we’ll dive into the Statement of Cash Flows (SCF) and learn how to prepare that financial statement. Finally, we’ll briefly discuss closing entries, since we’ve been preparing them as we’ve been going along!

 16 videos, 1 practice quiz

- 1. **Video:** Introduction to Financial Statement Preparation
- 2. **Video:** TGS Year 1: Preparing the Income Statement
- 3. **Video:** TGS Year 1: Preparing the Balance Sheet
- 4. **Video:** TGS Year 1: Revisiting the Financial Statement Framework
- 5. **Video:** A Managerial Approach to Recording Transactions
- 6. **Video:** Transactions from the Viewpoint of a Manager
- 7. **Video:** Introduction to the Statement of Cash Flows
- 8. **Video:** Explaining the Change in Cash: A Tutorial
- 9. **Video:** TGS Year 1: Preparing the Operating Activities Section of the Statement of Cash Flows
- 10. **Video:** TGS Year 1: Preparing the Investing Activities Section of the Statement of Cash Flows
- 11. **Video:** TGS Year 1: Preparing the Financing Activities Section of the Statement of Cash Flows
- 12. **Video:** Closing Entries
- 13. **Video:** The Statement of Cash Flows: A Conceptual Understanding
- 14. **Video:** TGS Year 1: Using the Direct Method to Prepare the Statement of Cash Flows
- 15. **Video:** TGS Year 1: Using the Indirect Method to Prepare the Statement of Cash Flows
- 16. **Video:** The Direct and Indirect Methods: A Summary
- 17. **Practice Quiz:** Week 4 Practice Quiz
- 18. **Discussion Prompt:** Discuss Interesting and/or Challenging Items


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 **Graded:** Week 4 Graded Quiz

Week 5

More Transactions, Analysis of Financial Statements, and an Annual Report

During this last week, we’ll walk through the second year of operations for our fictional startup company, The Garden Spot (TGS Year 2), for additional practice recording transactions and preparing our end-of-period financial statements. Then, we’ll do some analysis of The Garden Spot’s financial statements. Finally, we’ll take a look at PepsiCo’s Annual Report as an example of reporting for a publicly traded U.S. company.

 16 videos, 1 practice quiz

- 1. **Video:** Introduction to TGS Year 2
- 2. **Video:** TGS Year 2: Transactions 1-7
- 3. **Video:** TGS Year 2: Transactions 8-11
- 4. **Video:** TGS Year 2: Transactions 12-16

- 5. **Video:** TGS Year 2: Transactions 17-22
- 6. **Video:** TGS Year 2: The Financial Statements
- 7. **Video:** TGS Year 2: Preparing the Operating Activities Section of the Statement of Cash Flows
- 8. **Video:** TGS Year 2: Preparing the Investing Activities Section of the Statement of Cash Flows
- 9. **Video:** TGS Year 2: Preparing the Financing Activities Section of the Statement of Cash Flows
- 10. **Video:** TGS Year 2: Revisiting the Financial Statement Framework
- 11. **Video:** Analysis of the Income Statement
- 12. **Video:** Analysis of the Statement of Cash Flows
- 13. **Video:** Analysis of the Balance Sheet and a Summary
- 14. **Video:** PepsiCo's Annual Report
- 15. **Video:** PepsiCo's 10-K
- 16. **Practice Quiz:** Week 5 Practice Quiz
- 17. **Video:** Conclusion of the Course
- 18. **Discussion Prompt:** Mission Accomplished?

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 **Graded:** Week 5 Graded Quiz

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How It Works

General

How do I pass?

To earn your Certificate, you'll need to earn a passing grade on each of the required assignments—these can be quizzes, peer-graded assignments, or programming assignments. Videos, readings, and practice exercises are there to help you prepare for the graded assignments.

What do start dates and end dates mean?

Once you enroll, you'll have access to all videos, readings, quizzes, and programming assignments (if applicable). If you choose to explore the content without purchasing, you may not be able to access certain assignments. If you don't finish all graded assignments before the end of the session, you can reset your deadlines. Your progress will be saved and you'll be able to pick up where you left off.

What are due dates? Is there a penalty for submitting my work after a due date?

Within a course, there are suggested due dates to help you manage your schedule and keep work from piling up. Quizzes and programming assignments can be submitted late without consequence. However, it is possible that you won't receive a grade if you submit your peer-graded assignment too late because classmates usually review assignment within three days of the assignment deadline.

Can I re-attempt an assignment?

Yes. If you want to improve your grade, you can always try again. If you're re-attempting a peer-graded assignment, re-submit your work as soon as you can to make sure there's enough time for your classmates to review your work. In some cases you may need to wait before re-submitting a programming assignment or quiz. We encourage you to review learning material during this delay.

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