

ADVANCED ACCOUNTING

Standards

- Understand what Generally Accepted Accounting Principles (GAAP) are and the objectives of financial reporting.
- Define the flow of the accounting cycle and complete the steps of the accounting cycle.
- Identify and describe the operations and production costs of a business.
- Compare periodic and perpetual inventory systems; compare different inventory costing methods and how each method affects the cost of goods sold.
- Define sales, revenue recognition, and collections processes.
- Define the accounting methods for purchases of fixed assets, depreciation, and disposal.
- Define how GAAP relates to long-term liabilities and equity transactions.
- Analyze financial statements using ratios.
- Explore different accounting career options and how ethics and technology affect the accounting profession.

Performance Objectives

- Analyze day-to-day business transactions, adjusting entries, and closing entries; prepare income statement, balance sheet, statement of equity, and cash flow statement.
- Analyze business transactions to record costs of direct materials, direct/indirect labor, and manufacturing overhead.
- Use high-low analysis to determine the variable and fixed cost portion of a mixed cost .
- Analyze business transactions to record purchases of inventory using both periodic and perpetual inventory systems.
- Calculate ending inventory balance using LIFO, FIFO, and weighted average methods.
- Calculate inventory turnover ratio.
- Analyze business transactions to recognize revenue using gross price method and net price method.
- Calculate accounts receivable turnover ratio.
- Calculate depreciation of assets using straight-line, declining balance, and sum-of-the-years' digits method.
- Analyze adjusting entry for depreciation.
- Analyze business transactions for disposal of assets; including gains and losses.
- Analyze business transactions for bond issuance and redemption including face value, premium, and discount.
- Analyze business transactions for sale of stock, dividend distributions, and Treasury stock.
- Calculate financial ratios: earnings per share, quick ratio and current ratio, debt-to-equity, return on sales, and return on equity.

