



Principles of Accounting I

MGMT 104

Fall 2010

Westfield State College
Westfield, Massachusetts

Instructor: Christine Irujo

Course Description:

Development of a framework of concepts underlying the preparation of corporate financial statements which are useful to investors, economists, the general public, and other interested external parties. The balance sheet and income statement as conventionally reported by American corporations are studied as to methodology for their preparation, their interpretation, and their strengths and limitations.

3 credits.

Prerequisite:

MGMT 0107 Software Applications in Management (You MUST have a working knowledge of Excel. It is required that your homework and exams be done in Excel.)

Required Materials:

Principles of Accounting, Needles, Powers, & Crosson, 11th ed., Houghton-Mifflin.

2011 1328 Pages **Hardcover**

ISBN-13: 978-1-4390-3774-4

ISBN-10: 1-4390-3774-4

OR

eBook Downloadable (If you prefer the eBook over the Hardcover)

ISBN-13: 978-1-111-33152-8

ISBN-10: 1-111-33152-9

Working access to Word & Excel

Course Objectives:

By the end of this course you should be able to:

- ❖ Understand and complete each step of the accounting cycle including the preparation of multi-step and single-step income statements, classified balance sheets, and statements of retained earnings.
- ❖ Define and give examples of all elements of the financial statements (assets, liabilities, stockholders' equity, revenues, expenses, gains & losses and all contra accounts).
- ❖ Explain how debits and credits affect all accounts.
- ❖ Explain the qualitative characteristics of accounting information along with the conventions and assumptions used in determining the rules of GAAP. Students should be able to explain why transactions are recorded the way they are based on the characteristics, conventions and assumptions.
- ❖ Discuss how certain business transactions will affect the financial statements. Know when an item is realized and when it will be recognized.
- ❖ Read and analyze an annual report. Be able to calculate simple ratios to aid in the evaluation of a company's performance and financial situation.
- ❖ Understand what accrual accounting is and why it is superior to cash based accounting.
- ❖ Know the difference between an income statement for a service firm and an income statement for a merchandising firm.
- ❖ Define internal control and its basic components giving examples of internal controls and describing some of the limitations of internal control.
- ❖ Understand and demonstrate how short-term financial assets are recorded and reported including allowance for bad debt and bank reconciliations.
- ❖ Understand and demonstrate how inventory is accounted for in a merchandising company using both periodic and perpetual inventory systems. This includes knowing how to estimate ending inventory.
- ❖ Have an understanding how current liabilities are accounted for including payroll accounting.
- ❖ Explain and use special journals and subsidiary ledgers.

Method of Instruction:

Video presentations for each chapter will be used to highlight the important concepts of each chapter. You may watch the videos and do the related homework at times convenient for you. You must complete each section by the due dates given. Class notes will be made available for each chapter to be used as you watch the videos.

Homework will be broken down into 1. ungraded – you will be evaluated on it being done on time whether it is right or wrong and 2. graded – you will be given a grade on accuracy. Late homework will not be accepted and will receive a grade of zero.

Exams:

There will be four exams. There will be three exams each covering 1/3 of the course material and one comprehensive final. The exams will consist of multiple choice questions, short essays, short exercises and long problems.

Final Grade:

Your final grade will be determined by your performance on your homework (both graded and ungraded) and the four exams.

Get Up to Speed with PLATO:

Before the semester begins, make sure you are ready for the online experience. Visit the following websites to learn everything from “how to login”, to “checking your browser configuration.”

http://www.wsc.ma.edu/plato/Seven_Steps_To_Logging_Into_Vista.html

http://www.webct.com/tuneup/viewpage?name=tuneup_browser_troubleshoot

What You Should Know Before Taking This Course:

- ✦ You should read the information at this two sites:
<http://www.wsc.ma.edu/plato/gettingstarted.html>
http://www.wsc.ma.edu/plato/Are_Online_Courses_For_Me.html
- ✦ You must have access to a computer. It should have high speed internet access. (the videos are almost impossible to download with a dial-up connection). If you do not have access or cannot get access to high speed internet you will be required to use the computers on campus in the computer lab's to do your work.
- ✦ You should plan on attending the orientation session previous to the start of class.
- ✦ You need to know how to add attachments to e-mails and discussions within Plato.
- ✦ You need to know Excel and Word. You need to have access to these programs.
- ✦ You should be able to download files and plug-ins (and install them) from the web if needed.
- ✦ Know the basics about your operating system. I will not be teaching basic computer skills. You should know and understand what you have for firewalls, pop up blockers, spam software and which browser you are

using. You should know how to disable some of the above software if it interferes with downloading some of our files.

- # You should be able to carry on an educated conversation about your computer and your software with the people at the CIT HELP desk if you do encounter problems.
- # You need to realize that technical issues do come up. Think about this when you are planning out your work schedule. Plan to get your work in early whenever possible in case your system goes down or you encounter some other technical issue.
- # This course will probably take more time than a live course. You should be planning on at least three hours a week for video presentation coverage which is in place of the three classroom hours you normally have. You should then be planning on a minimum of six to ten hour a week for homework and studying. For most students this is the minimum amount required to be successful in this class. Some of you may need more time.



Questions? E-mail me at: cirujo@wsc.ma.edu

Please note that this is a generic overview of the course. The official course syllabus will be available to you once the course begins. Some things in the final course schedule may be different from this overview.