

**BBK 51 Course Outline as of Fall 2021****CATALOG INFORMATION**

Dept and Nbr: BBK 51

Title: COMPUTER BBK &amp; ACCT 2

Full Title: Computerized Bookkeeping and Accounting 2

Last Reviewed: 2/8/2021

Units		Course Hours per Week		Nbr of Weeks	Course Hours Total	
Maximum	3.00	Lecture Scheduled	3.00	17.5	Lecture Scheduled	52.50
Minimum	3.00	Lab Scheduled	1.00	6	Lab Scheduled	17.50
		Contact DHR	0		Contact DHR	0
		Contact Total	4.00		Contact Total	70.00
		Non-contact DHR	0		Non-contact DHR	0

Total Out of Class Hours: 105.00

Total Student Learning Hours: 175.00

Title 5 Category: AA Degree Applicable

Grading: Grade Only

Repeatability: 00 - Two Repeats if Grade was D, F, NC, or NP

Also Listed As:

Formerly:

**Catalog Description:**

Students analyze, categorize, and record transactions for merchandising firms including sole proprietorships and corporations. Students will prepare and analyze financial statements and other financial reports, using both manual and computerized bookkeeping systems, such as Microsoft Excel and/or QuickBooks. Students are expected to have a basic familiarity with Microsoft Excel and QuickBooks.

**Prerequisites/Corequisites:**

Course Completion of BBK 50

**Recommended Preparation:****Limits on Enrollment:****Schedule of Classes Information:**

Description: Students analyze, categorize, and record transactions for merchandising firms including sole proprietorships and corporations. Students will prepare and analyze financial statements and other financial reports, using both manual and computerized bookkeeping systems, such as Microsoft Excel and/or QuickBooks. Students are expected to have a basic

familiarity with Microsoft Excel and QuickBooks. (Grade Only)

Prerequisites/Corequisites: Course Completion of BBK 50

Recommended:

Limits on Enrollment:

Transfer Credit: CSU;

Repeatability: Two Repeats if Grade was D, F, NC, or NP

## **ARTICULATION, MAJOR, and CERTIFICATION INFORMATION:**

<b>AS Degree:</b>	<b>Area</b>	Effective:	Inactive:
<b>CSU GE:</b>	<b>Transfer Area</b>	Effective:	Inactive:
<b>IGETC:</b>	<b>Transfer Area</b>	Effective:	Inactive:
<b>CSU Transfer:</b>	Transferable	Effective: Fall 1981	Inactive:
<b>UC Transfer:</b>		Effective:	Inactive:

**CID:**

**Certificate/Major Applicable:**

Certificate Applicable Course

## **COURSE CONTENT**

### **Student Learning Outcomes:**

At the conclusion of this course, the student should be able to:

1. Prepare a complete set of books for a merchandising firm.
2. Prepare classified financial statements for a corporation.

### **Objectives:**

At the conclusion of this course, the student should be able to:

1. Compute and record adjustments for a merchandising firm.
2. Prepare classified income statements and balance sheets.
3. Calculate and record adjusting, closing, and reversing entries for a merchandising firm.
4. Analyze and compare the development and use of various Generally Accepted Accounting Principles (GAAP), underlying assumptions, and modifying constraints.
5. Analyze accounts receivable; estimate and journalize uncollectible accounts under various assumptions.
6. Analyze and account for notes payable and receivable including the associated interest expense or income.
7. Compute, compare, and contrast inventory costing and valuation methods and internal controls.
8. Analyze and prepare journal entries for acquisition, depreciation/depletion and disposition of property, plant, and equipment (PP&E); account for intangible assets and impairment of PP&E.
9. Journalize entries for the issuance of par value and no-par value stocks.
10. Illustrate the advantages and disadvantages of the corporate form of business organization.
11. Compare and contrast alternate types of corporations/business entities.
12. Complete a corporate statement of retained earnings and a balance sheet, including the following types of accounts: retained earnings, stock dividends distributable, dividends

- payable, and income tax payable.
- 13. Perform horizontal and vertical analysis based upon comparative income statement and balance sheet data.
- 14. Translate income statement data into trend percentages.
- 15. Compute, compare, and evaluate various financial ratios.
- 16. Prepare and analyze a Statement of Cash Flows for a corporation.

## **Topics and Scope:**

- I. Adjusting Entries for a Merchandising Business
  - A. Adjustments for merchandise inventory
  - B. Adjustments for unearned revenue
  - C. Data for the adjustments
  - D. Adjusting entries
  - E. Accruals and deferrals
  - F. Reversing entries
- II. Financial Statements and Closing Entries for a Merchandising Firm
  - A. The income statement
  - B. The statement of owner's equity and the balance sheet
  - C. Balance sheet classifications
  - D. Closing entries
- III. Accounting Principles and Reporting Standards
  - A. Need for and development of Generally Accepted Accounting Principles (GAAP)
  - B. Users and uses of financial reports
  - C. Qualitative characteristics
  - D. Underlying assumptions and modifying constraints
  - E. General principles and impact of GAAP
- IV. Accounts Receivable and Uncollectible Accounts
  - A. Allowance method
  - B. Direct charge-off method
  - C. Collecting accounts previously written off
  - D. Accounting for other receivables and bad debt losses
  - E. Internal control of Accounts Receivable
- V. Notes Payable and Receivable
  - A. Negotiable instruments
  - B. Accounting for notes payable
  - C. Accounting for notes receivable
  - D. Drafts and acceptances
  - E. Internal controls
- VI. Accounting for Merchandise Inventory
  - A. Inventory valuation/costing methods
  - B. FIFO (first-in, first-out), LIFO (last-in, first-out), and Weighted Average methods
  - C. Compare and contrast above methods
  - D. Lower of Cost or Market Rule
  - E. Inventory estimation procedures
  - F. Internal controls
- VII. Property, Plant, and Equipment (PP&E)
  - A. Acquisition and classification
  - B. Depreciation -- straight line and accelerated methods
  - C. Federal income tax "Cost Recovery" method Modified Accelerated Cost Recovery System (MACRS)
  - D. Disposition of assets

- E. Depletion
- F. Impairment of PP&E
- G. Intangible Assets
- H. Internal controls
- VIII. Corporations: Organization and Capital Stock
  - A. Definition of a corporation
  - B. Advantages of a corporation
  - C. Disadvantages of a corporation
  - D. Forming a corporation
  - E. Structure of a corporation
  - F. Capital stock of a corporation
  - G. Issuing stock of a corporation
  - H. Alternative entities
    - 1. Chapter S Corporations
    - 2. Limited Liability Companies (LLC)
    - 3. Limited Liability Partnerships (LLP)
- IX. Corporations: taxes and dividends
  - A. Procedure for recording and reporting income taxes
  - B. Declaration and payments of dividends
  - C. Preferred stock dividends -- cumulative and noncumulative
  - D. Stock splits and stock dividends
  - F. Statement of retained earnings and balance sheet
  - G. Par and no-par value
  - H. Preferred stock
- X. Analyzing and Interpreting Financial Statements
  - A. Vertical analysis
  - B. Horizontal analysis
  - C. Trend analysis
  - D. Comparison with industry averages
  - E. Selected ratios: return on sales, current ratio, working capital, earnings per share, and others.
- XI. Statement of Cash Flows
  - A. Importance of Statement of Cash Flows
  - B. Cash defined
  - C. Sources and uses of cash from operations
  - D. Cash flows from investing activities
  - E. Cash flows from financing activities
  - F. Direct method versus indirect method
  - G. Preparing the Statement of Cash Flows

All topics covered in lecture and lab

### **Assignment:**

Lecture- and Lab-related assignments:

1. Homework problems including journal entries, problem solving, financial statement preparation, financial analysis/ratio analysis
2. Quizzes (6 - 8)
3. Midterm and final exam
4. Computerized lab or online and homework problems to include Excel worksheets and QuickBooks problems

5. Practice sets: comprehensive/cumulative problem set requiring students to analyze, classify, journalize numerous transactions and prepare financial statements. Both are completed using computer software
6. Reading 30-40 pages per week in a semester-length course

### Methods of Evaluation/Basis of Grade:

**Writing:** Assessment tools that demonstrate writing skills and/or require students to select, organize and explain ideas in writing.

None, This is a degree applicable course but assessment tools based on writing are not included because problem solving assessments are more appropriate for this course.

Writing  
0 - 0%

**Problem Solving:** Assessment tools, other than exams, that demonstrate competence in computational or non-computational problem solving skills.

Homework problems, computerized practice sets, lab or online problems

Problem solving  
20 - 40%

**Skill Demonstrations:** All skill-based and physical demonstrations used for assessment purposes including skill performance exams.

None

Skill Demonstrations  
0 - 0%

**Exams:** All forms of formal testing, other than skill performance exams.

Comprehensive embedded practice sets; quizzes and exams, including one or more of the following types: multiple choice, true/false, matching items, and completion.

Exams  
60 - 80%

**Other:** Includes any assessment tools that do not logically fit into the above categories.

Attendance and participation in class or online

Other Category  
0 - 10%

### Representative Textbooks and Materials:

College Accounting; Chapters 1-30. 16th ed. Price, John and Haddock, M. David and Farina, Michael. McGraw Hill. 2021