COURSE SYLLABUS
ACCOUNTING 3110-502
INTERMEDIATE ACCOUNTING
FALL SEMESTER 2017
3.0 Credit Hours
(Last updated: 8/28/2017)

PROFESSOR

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Please do not send email messages from within eCourseware. It doesn’t work well outside of eCourseware and I cannot respond to your message.

CLASS TIME AND LOCATION

Classes time is 6:00 to 9:00 pm Thursdays on the University of Memphis Collierville campus.

COURSE DESCRIPTION

Accounting 3110 is the first accounting course following the two introductory accounting courses that all business majors are required to take. It is normally the first of a series of courses that accounting students take as they complete the requirements for a major in accounting and a career as a professional accountant.

ACCT 3110 is the first of three courses that comprise what is known as “intermediate accounting”. ACCT 3120 is the second intermediate course, ACCT 4130 is the third intermediate course and all three courses are taught from the same text—more about course materials below. The course begins with a discussion of the environment and theoretical structure of financial accounting followed by a review of the accounting process and accounting cycle studied in the first accounting course, ACCT 2010. Additional topics studied will include financial statements, revenue recognition and measurement, the time value of money and cash and receivables. While you will most likely recognize the topics just listed from your study of the first accounting course, the treatment of these same topics in ACCT 3110 is much more detailed and thorough. The depth and breadth of the
study is consistent with the level of knowledge required to take and pass professional accounting exams such as the CPA Exam or CMA Exam.

COURSE PRE-REQUISITE

Accounting 2010—Fundamentals of Accounting I

COURSE OBJECTIVES

After completing this course you should:
1. Be able to record a variety of basic accounting events.
2. Be able to prepare fundamental financial reports.
3. Understand some basic roles of financial information in capital markets.
4. Apply problem-solving skills to concepts covered in this course.

FOGELMAN COLLEGE LEARNING OUTCOMES FOR YOUR DEGREE

This course is designed to help you to meet the overall learning objectives for the BBA degree offered by the Fogelman College. You should take the time to become familiar with the overall learning objectives as a student in the BBA Accounting program:

http://www.fcbeassessment.net/LearningOutcomes/BBADegreeAccountancyLearningOutcomes.pdf

COURSE METHODOLOGY

This course is a fact-to-face course that is taught in a traditional classroom environment. In this setting we will meet twice per week throughout the entire semester. The class meets at specific times in an assigned classroom as indicated on page 1 above. Classes are a combination of lecture and demonstrated problem solving methodology.

MY EXPECTATIONS OF STUDENTS

1. Attend every class and arrive on time.
2. Come to class prepared. Read the material scheduled for each day (see class schedule below) and attempt to work the homework assignments for that material.
3. Be prepared (willing) to ask questions you may have encountered in your study of the assigned materials for each class.
4. Be prepared (willing) to respond to questions that your professor may ask during class and participate in the discussion of lecture material when asked to do so.
5. Be attentive in class—see “Course Policies” below.
6. Keep up with the progress of the course. Getting behind on reading the chapters, studying the material and doing the homework assignments is a sure way to make the course much more difficult than it is.
7. Read and know the information in this syllabus. Be totally aware of deadlines and due dates for all assignments and accept responsibility for meeting those requirements.
STUDENTS’ EXPECTATIONS OF THE PROFESSOR

In my role as your instructor, there are certain things you can expect from me including: well-organized and engaging learning experience, response to emails in a reasonable time, and prompt feedback on all work submitted.

COURSE MATERIALS

The required textbook is: Intermediate Accounting, 9th Edition, by Spiceland, Nelson, and Thomas. Also, you will need an “access code” that accompanies the text.

Getting the available points for the homework assignments in this course requires that you enter your homework answers online at a web site provided by the textbook publisher, Mc-Graw-Hill. The web site is called “Connect.” To use Connect you must register for the section of ACCT 3110 you are enrolled in, section 002, at the web address provided below.

To register on the “Connect” web site you must have an access code. Two options for the access code are available for different prices: The first option is called “Connect” and the second option is called “Connect Accounting Plus.” With Connect Accounting Plus, you also get 24/7 online access to an eBook – an online edition of the text – to aid you in successfully completing your work, wherever and whenever you choose. With either option you will get an access code and if you buy the Plus version you will also get an electronic version of the textbook. Connect is required to successfully complete this course!

Two ways to get an access code:
 (1) Purchase a textbook through the University of Memphis or Tiger bookstore and the Plus version of the access code will be packaged with the text at no additional cost.
 (2) Purchase the access code separately from McGraw-Hill online.

To register on the Connect web site you need to go to the following web address for this section of ACCT 3110: https://connect.mheducation.com/class/k-lambert-section-502-fall-2017

After you are at the Connect web site:
 (1) If you have an access code that came with your book you will be asked to type it in during the registration process.
 (2) If you do not have an access code you will be given an opportunity to purchase one.
     Once you are at the Connect web site the registration process is pretty obvious—just provide the information requested.

There is a homepage for your section of this course in eCourseware at the following web site: http://elearn.memphis.edu Once you are at the homepage you can go to “Content” to find information for this course, including specific instructions on completing your registration at the Connect web site—under the Getting Started heading.

If you need help with Connect, here are three sources:
 • Phone Number: (800) 331-5094
 • Web site: www.mhhe.com/support
 • Videos: Student video tutorials for help embedded within Connect
Power point slides are also available in the Content section of the homepage as well as other information relative to the course.

**INSTRUCTIONAL ASSISTANCE**

Tutoring is offered free on the second floor of the Fogelman Business building in the ESP Business Learning Center, room 256. Hours are posted on the door. If you are on campus, this service is available for you to use.

Examples of end-of-chapter material for which you will be held responsible will be worked in the powerpoints. You will have plenty of opportunity to practice this material by completing homework on Connect.

My office hours are listed above. If you are struggling with the class material, please come by the office or make an appointment to meet with me or speak to me on the phone.

**ACADEMIC INTEGRITY**

Expectations for academic integrity and student conduct are described in detail on the website of the University of Memphis has clear codes regarding cheating and classroom misconduct. If interested, you may refer to the Student Handbook section on academic misconduct for a discussion of these codes. Note that using a “Solutions Manual” is considered cheating. Should your professor have evidence that using a “Solutions Manual” has occurred, he/she may take steps as described on the campus' Office of Student Conduct website. If you have any questions about academic integrity or plagiarism, you are strongly encouraged to review the Fogelman College's Website on Academic Integrity.

**POLICY ON CHEATING, PLAGIARISM, AND SHARING WORK:** HOWEVER YOU MAY FIND INFORMATION REGARDING QUESTIONS ON YOUR HOMEWORK, PROJECTS, QUIZZES, AND EXAMS, WHETHER IT IS FROM ANOTHER STUDENT, ON-LINE SEARCHES, DISCUSSION ROOMS, COPIES OF SOLUTION MANUALS, COLLABORATION WITH ANYONE, OR OTHER MEANS – IF IN THE INSTRUCTOR'S DETERMINATION YOU COPY OR CLOSELY ADAPT IT -- AND THEN SUBMIT IT AS YOUR OWN WORK – IT IS PLAGIARISM, WHICH IS CHEATING. ALSO, IF YOU SHARE YOUR WORK WITH ANOTHER STUDENT, THEN YOU TOO WILL BE GUILTY OF CHEATING. THE FIRST OFFENSE WILL RESULT IN A ZERO FOR THAT HOMEWORK, PROJECT, QUIZ, OR EXAM. REPEATED INSTANCES WILL RESULT IN AN F IN THE COURSE AND POSSIBLE FURTHER ACADEMIC DISCIPLINE. THE ONLY EXCEPTION TO THIS POLICY WOULD BE CLEARLY-INSTRUCTOR-DESIGNATED, TEAM EXERCISES.

**GRADING**

1. Four Regular Exams--100 points each. These exams are designed to test your knowledge and understanding of the material covered. Each exam will test your mastery of course concepts and terminology as well short problems to solve that will be similar to assigned homework problems.
2. Quizzes--10 points each. One quiz per chapter in Connect.
3. Required Homework Assignments—10 points each. All the homework assignments are in Connect.
4. LearnSmart—5 points each in Connect.
5. Final Exam—100 points—comprehensive.
6. Missed deadlines for Quizzes or Homework. After the deadline the quizzes and homework will be unavailable.
7. Points Available:
   - Four Exams: 400
   - Final Exam (Comprehensive): 100
   - Quizzes: 70
   - LearnSmart: 35
   - Homework in Connect: 70
   - Maximum possible points: 675

8. Grades for the course will be determined on a competitive basis. Letter grades will be based on a modified version of the traditional 90% for an “A”, 80% for a “B”, etc., taking into account the performance of the class as a whole.
9. One additional feature of the grading system: At the end of the semester your final exam score will be compared to your regular hourly exam scores, and the lowest hourly exam score will be replaced by the final exam score IF the final exam score is larger than the lowest hourly exam score.

COURSE POLICIES

E-Mail
All students are required to maintain and access their University of Memphis (@memphis.edu) email account. You can expect to receive official course correspondence from your professor at this email account. Any inability to receive incoming mail in a timely fashion (e.g., not regularly checking your email, having a “full mailbox” condition, etc.) is the student’s responsibility.

Attendance
No points or credit is given for class attendance. Being present and prepared for class is a minimum expectation. Failure to attend class is frequently related to poor performance in the course. Come to class on time and be prepared to stay for the entire class! You may have had (or currently have) other professors who do not mind if you leave the classroom during class and later return. I personally find that to be very disruptive, but more importantly, it is an inconsiderate distraction to other members of the class. If you need to leave class early for a valid (possibly medical) reason, please let me know at the beginning of the class, then sit close to the door so you can make your exit as quietly as possible.

Missed Exams
Make-up exams are rarely given and ONLY if my permission to miss a regularly scheduled exam is obtained IN ADVANCE. Unexcused absences from a regularly scheduled exam will earn you a grade of ZERO on that test and your final exam grade will be substituted for the missed exam.

Technology Rules
Do not expect to use your computer in class. In the past, computers have been allowed. However, the temptation to give in to distractions like internet and email has proven too great. If you use the eBook, you will need to print the pages or slides prior to class.

Cell phones, ipads or other similar devices will also not be permitted in class. Please turn the ringer off and store out of sight.

Because of advances in technology, you can use ONLY a basic four-function calculator for exams and not your cell phone. If you don’t have such a calculator you can get one for a very reasonable
cost—probably less than $5.00. If you have any questions and/or concerns about the calculator you are using, see the instructor before the exam so that we can resolve the issue.

Additionally, because of advances in cell phone technology, smart phones are able to store and transmit large amounts of data. For this reason, **cell phones must be silenced and put away during exams and exam review (as they should be during all other class times).**

**During Exams**
1. Please remove all hats prior to the exam.
2. Only a basic four-function calculators may be used.
3. Come to the exam ready to stay for the full period—it is not permissible to leave the room and return prior to completing your exam. If you choose to leave the room you must turn in your exam and you will be finished.
4. All exams are to be done in pencil—bring a good eraser in case you need to change some of your answers.

**The final exam is scheduled for Thursday, December 14, 2017, from 6:00 to 8:00pm. It cannot be dropped! Be certain you can make the final exam!**

**Student Services**
Please access the FCBE Student Services page (http://www.memphis.edu/fcbeusso/index.php) for information about:
- Students with disabilities
- Tutoring and other Academic assistance
- Advising Services for Fogelman Students
- Technical assistance

**KEYS TO SUCCESS IN ACCT 3110**

To successfully master the course content in ACCT 3110 you need to be an aggressive learner. Being an aggressive learner means that you must make the course a major priority. If you have the attitude that “I will work, socialize, play sports, etc., etc., first, and then, if I have time, and am not too tired, I will study my accounting”, you are not likely to do well in the course. Also, you must stay on top of the course schedule—do everything BEFORE the deadline. Study the chapters and do the assignments BEFORE going to class, don’t wait until the last minute to meet deadlines, don’t put off preparing for exams until the night before or even two or three nights before—it takes longer than that. Don’t get behind the schedule—playing “catch-up” in intermediate accounting is a recipe for low or unacceptable performance.

Being an aggressive learner also involves the way you study. When you study it is not just a matter of reading the chapters. You must read and “fully understand” what you read. You may need to read the chapters, or parts thereof, more than once before you fully comprehend what it says. Most accounting texts provide a written explanation of topics and concepts followed by a quantitative example to illustrate the topics and concepts described. If you cannot fully comprehend the quantitative examples in the chapters you need to re-study the material until you can. Then you need to apply what you learned to the assigned exercises and problems.
**WORKING HOMEWORK PROBLEMS**

Problem solving helps develop your understanding of the concepts studied and helps you remember the material for exams. **It is highly recommended that you learn how to work your homework assignments on paper before entering your answers in Connect** (more about Connect below). Read and study the chapter until you are comfortable that you understand the material, and then begin working on your homework assignments. Read the first assigned exercise/problem and determine the subject matter being considered. Look at the requirements and see if you can get started. If you feel like you don’t know what to do go back to the chapter material and read the section or paragraphs where the topic is discussed, study any numerical examples provided in the chapter and see if that will get you started. After you have worked the exercise/problem on paper then go to Connect and enter your answers there so you will get the points for doing the assigned work. Also, the Connect software will let you know if your answers are correct.

A word of caution about working exercises and problems is important: Students frequently seek out the authors’ solutions to assigned homework, and then, instead of taking the time and putting forth the mental effort to attempt working the problems on their own, they just read the solutions provided by the authors and are deceived into thinking they know how to work the problems and “understand” the material. **Reading the solutions to homework problems that someone else has provided is not the same as knowing the material well enough to work out the solutions on your own, and certainly does not insure that you really understand the material.** What you are likely to learn is how a particular problem was solved by the authors, and if you needed to work that same problem on your own, or one very similar to it, you could probably do so. However, you probably could not work a different problem with different information and different requirements. Using the authors’ solutions can be helpful if you first work the assignments and then use the solutions to “check your work”. Learning how to solve accounting problems is not completely dissimilar to learning how to play basketball—you can learn some things about the game by watching others play it, but you will never learn how to sink 3-pointers unless you get off the bench and actually do it by yourself.

**CRITICAL THINKING & COMMUNICATION**

In our projects on financial accounting requirements, you will be continually encouraged to question each requirement, (1) focusing on why, not just how, (2) learning differential analysis techniques to use in financial statement analysis, and (3) drawing conclusions that test your understanding of the issues discussed in the course. One of the goals is to foster a critical thinking mindset to help equip you to cope with the rapidly evolving standard-setting environment.

**STUDY HABITS**

Please find attached to this syllabus a document entitled “A Study Guide for Accounting Students.” That document contains some excellent advice on how to study and learn accounting. If you do what is recommends, you are much more likely to do well in the course.
**COURSE SCHEDULE**

**NOTE:** The following schedule may be altered as circumstances might dictate. All changes will be announced in class. Students not attending class are responsible for obtaining information on changes.

**August 31st:**
Introduction
Chapter 2; “Review of the Accounting Process”
Acquire access code and Register in Connect. Work on Ch 2 assignments in Connect.

**September 7th:**
Chapter 2; “Review of the Accounting Process”
Read and Study Chapter 2.
Complete assignments in Connect for Chapter 2—Due date for Chapter 2 assignments is September 13, 2017. Prepare for Exam I.

**September 14th:**
Exam I—Chapter 2
Chapter 1; “Environment and Theoretical Structure of Financial Accounting”
Read and Study Chapter 1.
Complete assignments in Connect for Chapter 1—Due date for Chapter 1 assignments is September 20, 2017. Prepare for Exam II.

**September 21st:**
Exam II—Chapter 1
Chapter 3; “The Balance Sheet and Financial Disclosures”
Read and Study Chapter 3 material. Work on Chapter 3 assignments in Connect.

**September 28th:**
Chapter 3; “The Balance Sheet and Financial Disclosures”
Study and Review Chapter 3; Complete assignments in Connect for Chapter 3.

**October 5th:**
Chapter 4; “The Income Statement, Comprehensive Income and the Statement of Cash Flows”
Read and Study Chapter 4 material. Work on Chapter 4 assignments in Connect.

**October 12th:**
Chapter 4; “The Income Statement, Comprehensive Income and the Statement of Cash Flows”
Review and Study Chapter 4 subjects. Complete assignments in Connect for Chapters 3 and 4—Due date for Chapter 3 and 4 assignments is October 18, 2017. Prepare for Exam III.

**October 19th:**
Exam III—Chapters 3 and 4
Chapter 5; “Revenue Recognition and Profitability Analysis”
Read and Study Chapter 5 material. Work on Chapter 5 assignments in Connect.
October 26th:
Chapter 5; “Revenue Recognition and Profitability Analysis”
Review and Study Chapter 5 subjects. Complete assignments in Connect for Chapters 5.

November 2nd:
Chapter 6; “Time Value of Money Concepts”
Read and Study Chapter 6 material. Work on Chapter 6 assignments in Connect.

November 9th:
Chapter 6; “Time Value of Money Concepts”
Review and Study Chapter 6 subjects. Complete assignments in Connect for Chapters 5 and 6—Due date for Chapter 5 and 6 assignments is November 15, 2017. Prepare for Exam IV.

November 16th:
Exam IV Chapters 5 and 6
Chapter 7; “Cash and Receivables”
Read and Study Chapter 7 material. Work on Chapter 7 assignments in Connect.

November 30th:
Chapter 7; “Cash and Receivables”
Review and Study Chapter 7 subjects. Complete assignments in Connect for Chapter 7—Due date for Chapter 7 assignments is December 8, 2017. Prepare for Final Exam.

December 6th, Wednesday:
Last Day of Classes

December 7th:
Study Day

December 14th:
Final Exam—6:00-8:00 pm The Final Exam is Comprehensive.

IMPORTANT DATES:
Last day to drop with 75% Refund—September 10, 2017
Last day to drop with 25% Refund—September 23, 2017
Last day to drop a class, “W” grade assigned, no refund—October 20, 2017
A STUDY GUIDE FOR ACCOUNTING STUDENTS

Check your study habits against these suggestions. There is no substitute for HARD WORK or for a DESIRE TO LEARN in studying accounting, but most of us could use our study time and our classroom periods more efficiently. There are some techniques that enable us to show better our ability on exams and receive better grades. See if you can use these suggestions to get maximum results for your study efforts.

READING THE TEXTBOOK

1. Studying accounting is not like reading fiction or even like studying history, mathematics, or economics.
   a. Each assignment in many accounting courses builds on previous assignments. If you do half- hearted work in Chapter 1, you may have difficulty in Chapter 2 and be lost in Chapter 3.
   b. Accounting books are condensed. Almost every sentence is important. Look over the chapter for content and then read carefully.

2. Read to understand "why".
   a. This is a technical subject, it is logical, it requires reasoning.
   b. Strive to be able to say, "I understand why they do that". If you can understand "why" in accounting, there is very little to memorize.
   c. Try to explain each new topic in your own words. Getting the ideas into your own words is better than being able to quote the book from memory.
   d. Be, critical! Ask your teacher for the reasons behind accounting methods that you do not understand.

3. Work PROBLEMS to understand "how".
   a. You may be able to "understand why they do that," but you must be able to do it yourself as well as understand. This is a do-it-yourself course.
   b. To be sure that you understand "how" as well as "why". Work the problems which illustrate the reading material in each chapter.

4. REMEMBER "why" and "how".
   a. Do not just keep up - consolidate - review as you go.
      (1) Go back to previous chapters and bring yourself up-to-date. See how this chapter builds on the last one.
      (2) If possible, rework one problem each week from some previous chapter. Rework problems that were difficult for you.
   b. Never wait until examination time to review your accounting. The review-as-you-go plan produces much better results. It does not take as long, and saves that last minute worry and sacrifice of other courses that goes with cramming.

5. Relate the things discussed in accounting to things that you already know - places you have worked - a family business - other courses. Try to see how this might help you do what you want to do in the future. See if you can use it right now - treasurer for campus organizations - part-time jobs - personal bookkeeping system.

6. If there is something you do not understand, prepare specific questions to ask you instructor. PIN-POINT THE THING THAT YOU DO NOT UNDERSTAND. (Some students keep up a notebook of points with which they have had difficulty.)
WORKING PROBLEMS

1. **RTP** (read the problem). **RTI** (Read the instructions). Scan the problem to see what is ahead of you.
2. Work the problems without "page flipping" back to the chapter.
   a. When in doubt look back at the chapter. However, you should have attempted to do the work before reviewing chapter material. An inability to work problems on your own indicates that either you do not understand or do not remember chapter material. You are not prepared for an examination.
   b. The "page-flipping" method is guaranteed to waste a maximum of your time and to produce a minimum of results.
3. Be neat and orderly. Sloppy calculations, messy papers, and general carelessness cause most errors in working accounting problems.
4. Keep up with your class.
   a. Check your problem against the solution presented in class.
   b. Find any mistakes you may have made.
   c. Be sure you understand the correct solution.
5. Note the part(s) of the problem with which you may have had difficulty and ask questions in class.

MAKE BEST USE OF CLASS TIME

1. Classes are never interesting unless you take part.
2. Be prepared before you go to class.
3. Don't be afraid to ask questions.
4. Students who make failing grades also fail to attend classes, fail to pay attention during class, fail to have their homework, and fail to ask the instructor for help. Avoid these pitfalls.

PREPARING FOR EXAMS

1. Be specific in your study; concentrate on the things which seem to be most important. (Some students make up an exam of their own).
   a. Note items that your instructor emphasizes in class.
   b. Determine topics for which most problems were assigned.
   c. Scan problems that were not assigned for problems that could be used on an examination.
   d. Read questions at the end of the chapters for good test questions.
2. Do not stop with just "getting the idea." Be sure that you can work problems without the aid of the book.
3. Every exam has an element of speed. Have your "how's" and why's" right at your finger tips. If you are slow, you probably need more study.
4. Students are not parrots. On a good exam you should be expected to give back something more than was in the textbook. A good exam should not be a carbon copy of a homework problem. It will probably approach the material covered from some different angle to test your ability to reason and understand rather than your ability to memorize.
5. When taking exams many points are lost because the student does not **READ THE PROBLEM**, is not neat and orderly (has poor form and makes math errors), or does not show calculations.
6. Examinations need not be a source of worry. It is seldom that conscientious effort is not rewarded.
COURSE LEARNING OBJECTIVES BY CHAPTER

Chapter 1

LO1-1: Describe the function and primary focus of financial accounting.
LO1-2: Explain the difference between cash and accrual accounting.
LO1-3: Define generally accepted accounting principles (GAAP) and discuss the historical development of accounting standards, including convergence between U.S. and international standards.
LO1-4: Explain why the establishment of accounting standards is characterized as a political process.
LO1-5: Explain factors that encourage high-quality financial reporting.
LO1-6: Explain the purpose of the conceptual framework.
LO1-7: Identify the objective and qualitative characteristics of financial reporting information, and the elements of financial statements.
LO1-8: Describe the four basic assumptions underlying GAAP.
LO1-9: Describe the recognition, measurement and disclosure concepts that guide accounting practice.
LO1-10: Contrast a revenue/expense approach and an asset/liability approach to accounting standard setting.
LO1-11: Discuss the primary differences between U.S. GAAP and IFRS with respect to the development of accounting standards and the conceptual framework underlying accounting standards.

Chapter 2

LO2-1: Analyze routine economic events—transactions—and record their effects on a company’s financial position using the accounting equation format.
LO2-2: Record transactions using the general journal format.
LO2-3: Post the effects of journal entries to general ledger accounts and prepare an unadjusted trial balance.
LO2-4: Identify and describe the different types of adjusting journal entries.
LO2-5: Record adjusting journal entries in general journal format, post entries, and prepare an adjusted trial balance.
LO2-6: Describe the four basic financial statements.
LO2-7: Explain the closing process.
LO2-8: Convert from cash basis net income to accrual basis net income.

Chapter 3

LO3-1: Describe the purpose of the balance sheet and understand its usefulness and limitations.
LO3-2: Identify and describe the various balance sheet asset classifications.
LO3-3: Identify and describe the two balance sheet liability classifications.
LO3-4: Explain the purpose of financial statement disclosures.
LO3-5: Explain the purpose of the management discussion and analysis disclosure.
LO3-6: Explain the purpose of an audit and describe the content of the audit report.
LO3-7: Describe the techniques used by financial analysts to transform financial information into forms more useful for analysis.
LO3-8: Identify and calculate the common liquidity and financing ratios used to assess risk.
LO3-9: Discuss the primary differences between U.S. GAAP and IFRS with respect to the balance sheet, financial disclosures, and segment reporting.

Chapter 4

LO4-1: Discuss the importance of income from continuing operations and describe its components.
LO4-2: Describe earnings quality and how it is impacted by management practices to manipulate earnings.
LO4-3: Discuss the components of operating and nonoperating income and their relationship to earnings quality.
LO4-4: Define what constitutes discontinued operations and describe the appropriate income statement presentation for these transactions.
LO4-5: Define extraordinary items and describe the appropriate income statement presentation for these transactions.
LO4-6: Define earnings per share (EPS) and explain required disclosures of EPS for certain income statements components.
LO4-7: Explain the difference between net income and comprehensive income and how we report components of the difference.
LO4-8: Describe the purpose of the statement of cash flows.
LO4-9: Identify and describe the various classifications of cash flows presented in a statement of cash flows.
LO4-10: Discuss the primary differences between U.S. GAAP and IFRS with respect to income statement, statement of comprehensive income, and statement of cash flows.

Chapter 5

LO5-1: Discuss the timing of revenue recognition, list the two general criteria that must be satisfied before revenue can be recognized, and explain why these criteria usually are satisfied when products or services are delivered.
LO5-2: Discuss the principal/agent distinction that determines the amount of revenue to record.
LO5-3: Describe the installment sales and cost recovery methods of recognizing revenue and explain the unusual conditions under which these methods might be used.
LO5-4: Discuss the implications for revenue recognition of allowing customers the right of return.
LO5-5: Identify situations requiring recognition of revenue over time and demonstrate the percentage-of-completion and completed contract methods of recognizing revenue for long-term contracts.
LO5-6: Discuss the revenue recognition issues involving multiple-deliverable contracts, software, and franchise sales.
LO5-7: Identify and calculate the common ratios used to assess profitability.
LO5-8: Discuss the primary differences between U.S. GAAP and IFRS with respect to revenue recognition.

Chapter 6

LO6-1: Explain the difference between simple and compound interest.
LO6-2: Compute the future value of a single amount.
LO6-3: Compute the present value of a single amount.
LO6-4: Solve for either the interest rate or the number of compounding periods when present value and future value of a single amount are known.
LO6-5: Explain the difference between an ordinary annuity and an annuity due situation.
LO6-6: Compute the future value of both an ordinary annuity and an annuity due, and a deferred annuity.
LO6-7: Compute the present value of an ordinary annuity, an annuity due, and a deferred annuity.
LO6-8: Solve for unknown values in annuity situations involving present value.
LO6-9: Briefly describe how the concept of the time value of money is incorporated into the valuation of bonds, long-term leases, and pension obligations.

Chapter 7

LO7-1: Define what is meant by internal control and describe some key elements of an internal control system for cash receipts and disbursements.
LO7-2: Explain the possible restrictions on cash and their implications for classification in the balance sheet.
LO7-3: Distinguish between the gross and net methods of accounting for cash discounts.
LO7-4: Describe the accounting treatment for merchandise returns.
LO7-5: Describe the accounting treatment of anticipated uncollectible accounts receivable.
LO7-6: Describe the two approaches to estimating bad debts.
LO7-7: Describe the accounting treatment of short-term notes receivable.
LO7-8: Differentiate between the use of receivables in financing arrangements accounted for as a secured borrowing and those accounted for as a sale.
LO7-9: Describe the variables that influence a company’s investment in receivables and calculate the key ratios used by analysts to monitor that investment.
LO7-10: Discuss the primary differences between U.S. GAAP and IFRS with respect to cash and receivables.