

Learning Objectives for Financial Accounting:

- Explain the importance of financial accounting.
- Describe the main financial statements.
- Identify the groups that use or are interested in financial information.
- Explain what professions use or interact with accounting data.
- Describe the relevant governing bodies involved in accounting rules setting.
- Apply transaction analysis to investing and financing transactions in terms of the accounting model.
- Examine a transaction and record the transaction using the double-entry accounting system employing debits and credits.
- Describe what information the income statement provides and how it connects with the balance sheet.
- Apply the revenue recognition and expense matching principles to scenarios.
- Apply transaction analysis to record the effects of operating transactions on the financial statements.
- Explain the purpose of adjusting journal entries.
- Evaluate scenarios to determine if, and when, an adjusting entry should be recorded.
- Create adjusting entries using the double entry accounting system.
- Apply the closing process to a company.
- Create financial statements for an entity based on transactions.
- Apply ethical principles to accounting situations.
- Examine the consequences of financial fraud and identify the conditions that promote unethical behavior.
- Describe the parties involved in producing and supervising financial disclosures
- Calculate and interpret liquidity and profitability ratios and compare across companies.
- Analyze the impact of credit card sales, sales discounts, and sales returns on the income statement and record the related entries
- Calculate bad debt expense and record the impacts on the financial statements.
- Evaluate the effects of bad debt on financial statements.
- Calculate and interpret the receivables turnover ratio.
- Calculate the acquisition value of inventory reported on the financial statements
- Compare four different costing methods (FIFO, LIFO, Weighted Average, Specific Identification) for calculating cost of goods sold and inventory.
- Decide when to use different inventory costing methods to benefit a company.
- Test for inventory write-downs.
- Calculate and interpret the inventory turnover ratio.
- Apply the cost principle to measure the acquisition of plant, property, and equipment.

- Calculate three different methods of cost allocation allowed for long-term assets and compare impacts on the financial statements.
- Propose reasons for why a company may pay more for an acquired company than what it's worth.
- Analyze the impact of impairments and disposals on the financial statements.
- Describe 'take-home' pay and record the impacts of payroll entries.
- Implement the process of assessing contingent liabilities.
- Explain the concept of time value of money and compute present value calculations using the present value tables.
- Apply present value calculations to leases.
- Calculate and interpret the accounts payable turnover ratio
- Describe the various essential features of bonds.
- Apply present value calculations to bond valuation.
- Record bond securities issued at par, discount, and premium using the double-entry accounting system.
- Compare the different impacts bond types have on the financial statements.
- Calculate the early retirement of bonds and explain why a company would decide to do this.
- Calculate and interpret the debt to assets ratio.
- Compare debt versus equity for capital funding.
- Contrast the different types of stock (preferred, common, and treasury) and calculate impacts on the financial statements using the double-entry accounting system.
- Analyze the financial statement impacts of dividends (cash and stock) and stock splits and record these transactions.
- Calculate and interpret the earnings per share ratio.

Learning Objectives for Managerial Accounting:

- Know what is meant the following terms - cost objects, direct costs, indirect costs, and manufacturing overhead.
- Understand the various cost behavior classifications and be able to distinguish between variable costs, fixed costs, and mixed costs.
- Understand the terms of differential costs, sunk costs, opportunity costs, and how this can affect decision making.
- Know what is meant by the term “Job Order Costing”. Understand differences between variable vs. absorption costing.
- Be able to compute a predetermined overhead rate and apply this rate to jobs. Be familiar with, and be able to use, activity-based absorption costing.
- Understand the implications of basing the predetermined overhead rate on activity at capacity rather than on estimated activity. Be able to compute underapplied (or overapplied) overhead and how to close out the balance.
- Understand flow of costs (and related journal entries) in a job-order costing system. Use T-Accounts to show this flow of costs from Raw Materials, to Work in Process, to Finished Goods.
- Understand cost-volume-profit (CVP) graphs and contribution margin ratios.
- Be able to calculate the breakeven point and sales level necessary to achieve a desired profit. Be able to calculate how hypothetical changes in activity affect the contribution margin & net operating income.
- When faced with competing investments decisions, be able to evaluate the profitability (or lack thereof) of the various options using a variety of tools such ROI analysis, the internal rate of return analysis, make vs. buy analysis, contribution margin by product line, etc.
- Be able to explain the concept of the present value of future cash flows. Be able to use the Present Value tables in discounting future cash flows.
- Understand the importance of why firms prepare budgets. Know the basics of preparing a flexible budget.
- Know the basics of preparing “Variance Reports” (Direct Materials variance, price variance, labor variance, overhead variance, volume variance, etc.) when actual results differ from budgeted expectations.
- Compute and interpret ratios that managers use to assess liquidity, asset management, debt management, profitability, and market performance.