

ACCT& 201 Online – Leslie Lum
Winter 2014 Course Syllabus

Schedule

Week	Tuesday	Thursday	Friday
	Jan 7 Discussion forums: Introduction and Company Selection	Jan 9	Jan 10 Chapter 1 Quiz
	Jan 14 Chapter 1 and Chapter 2 Questions due Company Selection made.	Jan 16 Chapter 1 Homework	Jan 17 Chapter 2 Quiz Chapter 2 discussion Balance sheet and the accounting equation post
	Jan 21 Chapter 3 Questions due Chapter 2 discussion Balance sheet and the accounting equation response	Jan 23 Chapter 2 Homework	Jan 24 Chapter 3 Quiz Chapter 3 discussion Accrual and deferrals post
	Jan 28 Chapter 3 discussion Accrual and deferrals response	Jan 30 Chapter 3 Homework	Jan 31 Chapter 1 to 3 Exam .
	Feb 4 Chapter 4 questions due .	Feb 6 Monopoly 1 – your game is due	Feb 7 Chapter 4 Quiz Chapter 4 discussion Shareholder's Equity post
	Feb 11 Chapter 5 Questions due Chapter 4 discussion Shareholder's Equity response	Feb 13 Chapter 4 Homework Monopoly 2 – audit is due	Feb 14 Chapter 5 Quiz Chapter 5 Profit Margin, vertical and horizontal analysis post
	Feb 18 Discussion forum Chapter 5 Profit Margin, vertical and horizontal analysis response	Feb 20 Chapter 5 Homework	Feb 21 Exam 2 – Chap 1 to 5
	Feb 25 Chapter 6 questions due	Feb 27	Feb 28 Chapter 6 Quiz Chapter 6 discussion Inventory turnover post
	Mar 4 Chapter 8 Questions due Chapter 6 discussion Inventory turnover response	Mar 6 Chapter 6 Homework	Mar 7 Chapter 8 Quiz Chapter 8 discussion Receivables Turnover post
	Mar 11 Chapter 7 Questions due Chapter 8 discussion Receivables Turnover response	Mar 13 Chapter 8 Homework	Mar 14 Chapter 7 Quiz Chapter 7 discussion Fraud and Internal Control post
	Mar 18 Chapter 7 discussion Fraud and Internal Control response	Mar 20 Chapter 7 Homework	Mar 21

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requirements**

Three exams (20%, 20%, and 25%) Note exams are difficult and students average 70-75% across all classes and instructors.	650
Eight Chapter quizzes (20 multiple choice questions each) 40 points for individual and 40 points for team	80
Eight chapter questions (digital to canvas for turnitin and hard copy in class)	50
Eight homework assignments	80
Eight financial analysis discussion forums and presentations in class	120
Monopoly	20
TOTAL	1000

- Identify the purpose and uses of financial accounting
- Apply basic accounting principles and assumptions to business transactions
- Employ double-entry bookkeeping to record and report on basic business operational transactions in an accounting system
- Describe the impact of basic operating transactions on a business's financial position
- Critically analyze a business's financial position and operational results
- Discuss the origins of fraud and means by which a business may protect itself from it
- Demonstrate business communications skills through a variety of assessments such as team assignments, oral presentations, and written documents

Contact

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Office hours: MTWTh 10:30 am to 11:20 am (I am usually in my office at other times if you want to drop by or make an appointment)

Prerequisite

A grade of C or better for English 101 and Math 138 is required for this course.

Grading

GRADE	POINTS	PERCENTAGE
A	4.0	92-100
A-	3.7	90-91
B+	3.3	88-89
B	3.0	82-87
B-	2.7	80-81
C+	2.3	78-79
C	2.0	72-77
C-	1.7	70-71
D+	1.3	68-69
D	1.0	62-67
F	0.0	BELOW 62

A pass grade will not be given unless all requirements of the course are completed.

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Chapter Questions:

1. Chapter questions help you read through the chapter **prior** to covering it in class. They are due the Tuesday of the week that we cover the chapter.
2. Do not copy and paste from other sources. Write the answers out in your own words.
3. Keep a version of the chapter questions to study from.

Chapter homework:

1. Each chapter homework is due every Thursday.
2. **START HOMEWORK EARLY!**
3. Solutions manuals are available in the library and in the Business Study Center C207K.

	The more homework you do, the better you will learn the material. Completing 3 exercises will get you full points for the chapter. *The last problem will be extra credit for homework points only.
Chapter 1	Exercises E1-14, E1-16, E1-17 Problems P1-1A, P1-3A, P1-5A*
Chapter 2	Exercises E2-11, E2-14, E2-15 Problems P2-3A, P2-4A, P2-5A*
Chapter 3	Exercise E3-13, E3-14, E3-15 Problems P3-3A, P3-5A, P3-6A*
Chapter 4	Exercises E4-9, E4-11, E4-17 Problems P4-3A, P4-4A, P4-5A*
Chapter 5	Exercises E5-5, E5-9, E5-16, E5-18 Problems P5-2A, P5-4A, P5-6A* Extra HW Credit Exercises: E5-8, E5-17, E5-19 Problems: , P5-3A, P5-5A , P5-7A
Chapter 6	Exercises E6-5, E6-6, E6-7 Problems P6-2A, P6-4A, P6-6A* Additional HW Credit Exercise E6-16 Problem P6-8A
Chapter 7	Exercises E7-5, E7-8, E7-9 Problems P7-2A, P7-4A, P7-5A*
Chapter 8	Exercises E8-3, E8-6, E8-8, Problems P8-3A, P8-4A, P8-5A* Additional HW Credit Exercises: E8-4, E8-12 Problems: P8-6A

Chapter Quizzes

1. Chapter Quizzes are given on the Friday after we complete the chapter.
2. They are 20 multiple choice questions that must be completed in 30 minutes individually and then as a team.

Financial Analysis

1. Each student must select a company to analyze. You must post your analysis to the discussion forum on Canvas by **Friday** as noted on the schedule.
2. Then post one recalculation of a classmate and a comparison by **Tuesday**.
3. You will be asked to present in class and at the end of the quarter, the teams will do a comparison across the individual companies.

Exams

1. There will be **three exams**.
2. Exam 1 covers Ch 1 through Ch 2 and Ch 3.
3. Exam 2 covers Ch 1 to 5 with emphasis on Ch 3 to 5.
4. The final is comprehensive Ch 1 through 8 and is created by a group of instructors.
5. Exams are closed book and a 3 by 5 inch card is allowed.

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Videos

Videos have been created to assist students in reviewing material covered in class or to provide materials in the event of illness or bad weather. The **videos focus on tips and techniques to complete the transactions**. They are short and quick, therefore you may have to view them more than once to grasp the skill sets. Students find that it is helpful to review videos before exams.

Chapter 1

[Chap 1 Financial Statements Part 1 Balance Sheet](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_1_FS_1/A201_Ch_1_FS_1.html) (10 minutes 55 sec)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_1_FS_1/A201_Ch_1_FS_1.html

Explanation of why financial statements are important. Using Costco, a merchandising firm or retailer as an example, this video explains how business models and processes relate to a company's success. It describes the components of the balance sheet (assets, liabilities and equity) and shareholder's equity.

[Chap 1 Financial Statements Part 2 Income Statement and others](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_1FS2/A201_Ch_1FS2.html) (9 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_1FS2/A201_Ch_1FS2.html

Explanation of income statement, statement of shareholder's equity (retained earnings particularly) and cash flow statement. Description of how financial statements fit with each other. Brief overview of GAAP.

[Chap 1 Accounting Equation Part 1](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_1AE1/A201_Ch_1AE1.html) (9 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_1AE1/A201_Ch_1AE1.html

Using Jeff Bezos and Amazon as an example, we go through several different types of accounting transactions to demonstrate how the accounting equation is used.

[Chap 1 Accounting Equation Part 2](http://personal.bellevuecollege.edu/llum/A201_Videos2012/Ch_1_AE2/Ch_1_AE2.html) (6 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/Ch_1_AE2/Ch_1_AE2.html

Using Jeff Bezos and Amazon as an example, we go through several different types of accounting transactions to demonstrate how the accounting equation is used.

Chapter 2

[Chap 2 Debits Credits Normal Balance](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201Ch_2_DCN/A201Ch_2_DCN.html) (6 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201Ch_2_DCN/A201Ch_2_DCN.html

An introduction to the concepts of debits, credits, t-accounts and normal balances. Assets and expenses have debits as the normal balance (increase side). Liabilities, Equity and Revenues have credits as the normal balance (increase side).

[Chap 2 Journal Entries, T-Accounts and Trial Balances Part 1](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201Ch_2_JET1/A201Ch_2_JET1.html) (7 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201Ch_2_JET1/A201Ch_2_JET1.html

The first four steps of the accounting cycle are to analyze, journalize, post to the account, and compile the trial balance. Using the same transactions from Jeff Bezos and Amazon, this video demonstrates how this is done.

[Chap 2 Journal Entries, T-Accounts and Trial Balances Part 2](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201Ch_2_JET2/A201Ch_2_JET2.html) (6 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201Ch_2_JET2/A201Ch_2_JET2.html

The first four steps of the accounting cycle are to analyze, journalize, post to the account, and compile the trial balance. Using the same transactions from Jeff Bezos and Amazon, this video demonstrates how this is done.

Chapter 3

[Chap 3 Deferrals, accruals and adjustments Part 1](http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_3_DAA1/A201_Ch_3_DAA1.html) (11 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_3_DAA1/A201_Ch_3_DAA1.html

The next two steps of the accounting cycle to make adjusting entries and compile the adjusted trial balance. This video provides descriptions of deferrals, accruals and adjustments and how they relate to GAAP. Changing some of the transactions from the Jeff Bezos and Amazon story, deferrals and accruals are demonstrated.

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[Chap 3 Deferrals, accruals and adjustments Part 2](#) (10 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_3DAA2/A201_Ch_3DAA2.html

The next two steps of the accounting cycle to make adjusting entries and compile the adjusted trial balance. This video provides descriptions of deferrals, accruals and adjustments and how they relate to GAAP. Changing some of the transactions from the Jeff Bezos and Amazon story, adjustments are demonstrated.

Chapter 4

[Chap 4 Closing](#) (10 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_4Closing/A201_Ch_4Closing.html

The last three steps in the accounting cycle are covered here. The income statement is prepared. Then net income is brought to the retained earnings statement along with dividends. Then the balance sheet is compiled. In closing, use is made of the income summary account which is brought to retained earnings along with dividends. The post-closing trial balance is carried over to the next period.

[Chap 4 Classified Balance Sheet](#) (8 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_4CBS/A201_Ch_4CBS.html

In the classified balance sheet current assets (used within one year or operating cycle) are group together and totaled. Next comes long-term investments not used for operations. Then long term assets used for operations. Intangible assets is a new category which are assets without physical substance. Liabilities are also broken out to current liabilities and long term liabilities. Equity is subtotaled separately. Then total liabilities and equity are totaled. The classified balance sheet allows analyst to do ratios to evaluate liquidity and solvency.

[Chap 4 Financial Ratios](#) (10 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_4FinRat/A201_Ch_4FinRat.html

The financial ratios covered are growth (year-to-year revenues and net income), profitability (gross margin, net margin), liquidity (current ratio, quick ratio, working capital), inventory turnover, receivables turnover and debt to asset. Financial ratios allow analysts to compare companies to other companies.

Chapter 5

[Chap 5 Perpetual Merchandise Accounting Part 1](#) (9 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_5Ppt1/A201_Ch_5Ppt1.html

Describes how to categorize, journalize and post transactions for businesses that use perpetual inventory. This video covers a general description and customer side transactions.

[Chap 5 Perpetual Merchandise Accounting Part 2](#) (8 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_5Ppt2/A201_Ch_5Ppt2.html

Describes how to categorize, journalize and post transactions for businesses that use perpetual inventory. This video covers vendor side and discount transactions.

[Chap 5 Periodic Merchandise Inventory Accounting Part 1](#) (8 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_5Prd1/A201_Ch_5Prd1.html

Describes how to categorize, journalize and post transactions for businesses that use periodic inventory. Describes the purchase, purchase returns and allowance, purchase discount and freight in accounts. This video covers a general description and customer side transactions.

[Chap 5 Periodic Merchandise Inventory Accounting Part 2](#) (6 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_5Prd2/A201_Ch_5Prd2.html

Describes how to categorize, journalize and post transactions for businesses that use periodic inventory. Describes the purchase, purchase returns and allowance, purchase discount and freight in accounts. This video covers vendor side and discount transactions.

[Chap 5 Multiple Step Income Statement](#) (5 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_5MIS/A201_Ch_5MIS.html

Describes how net sales (gross sales less sales returns and allowances/sales discounts), gross profit (net sales less cost of goods sold), operating profit (gross profit less operating expenses) and net income or profit is determined.

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Chapter 6

[Chap 6 Inventory cost flow](#) (7 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_6Inv/A201_Ch_6Inv.html

Describes how to do FIFO, LIFO and average cost flow in periodic inventory.

Chapter 7

[Chap 7 Cash Reconciliation](#) (5 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_Ch_7Cash/A201_Ch_7Cash.html

Describes how to reconcile cash in bank and book (company) balances.

Chapter 8

[Chap 8 Accounts Receivables and Allowance for Doubtful Accounts](#) (8 minutes)

http://personal.bellevuecollege.edu/llum/A201_Videos2012/A201_ch_8AR/A201_ch_8AR.html

Describes how to account for the net realizable value of accounts receivable using allowance for doubtful accounts. Also, goes briefly through some transactions covered in Chapter 8.

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**Company
Analysis**

Each student will be required to select a company from the following list. You will be performing analysis on the 10Ks of your company throughout the quarter and posting your work and analysis to the appropriate discussion forums and presenting your analysis in class.

These company analysis will help you understand how financial statements are used to evaluate companies.

APPAREL RETAILERS

Dillards

TJX

The GAP

Macy's

Kohl's

Nordstrom

L Brands

DRUGS

Merck

Pfizer

Gilead Sciences

Johnson and Johnson

Bristol-Myers Squibb

Eli Lilly

Amgen

MEDICAL EQUIPMENT

Varian Medical Systems

Medtronic

Boston Scientific

St Jude Medical

Stryker

**Mandatory
expected time**

The Business Transfer Program prepares students for careers in business. All the courses in the program are second-year courses that are rigorous and have many requirements

**Standard of
Behavior**

All interactions will be evaluated as to whether they are acceptable in the business environment. This includes interactions in the class, on online discussion forums, email communications, with the instructor, with fellow students, and in the community. Inappropriate communications include jokes and discussions your classmates find offensive, excessive messages, and other communications which would be typically deemed inappropriate in the workplace. If posting are deemed inappropriate or detrimental to the learning environment, they will be removed from the discussion forum. The student will be informed and expected to comply with requests for change and improvement.

Student Code

Cheating includes, but is not limited to, copying answers on exams, glancing at nearby exams, turning in assignments or papers that have been used in other classes, and giving or receiving help during an exam. Cheating includes, but is not limited to, purchasing or selling notes, assignments or examination materials. Having a cell phone in view for any reason during an exam will result in a zero in the exam.

Stealing includes, but is not limited to, taking the text, notes, exams, library books or other

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personal property of others without their permission.

Plagiarism is presenting the words, ideas, and/or work of others as if it is an individual's own work. It includes, but is not limited to, using other's papers as one's own and including parts of published works without giving credit where credit is due.

If you choose to cheat, steal or plagiarize, or if you assist anyone in cheating, the following actions will be taken:

You will receive zero on the assignment or assessment.

A report of the incident will be forwarded to the Dean of Student Services. He/she may file the report in your permanent record and/or take further disciplinary action.

If you feel you have been unfairly accused of any of the above, you may appeal. For a description of due process, see WAC 132H-120, available in the Dean's office.

"Cheating, stealing and plagiarizing (using the ideas or words of another as one's own without crediting the source) and inappropriate/disruptive classroom behavior are violations of the Student Code of Conduct at Bellevue College. Examples of unacceptable behavior include, but are not limited to: talking out of turn, arriving late or leaving early without a valid reason, allowing cell phones/pagers to ring, and inappropriate behavior toward the instructor or classmates. The instructor can refer any violation of the Student Code of Conduct to the Vice President of Student Services for possible probation or suspension from Bellevue College. Specific student rights, responsibilities and appeal procedures are listed in the Student Code of Conduct, available in the office of the Vice President of Student Services."

The Student Code, Policy 2050, in its entirety is located at:

http://bellevuecollege.edu/policies/2/2050_Student_Code.asp

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Affirmation of Inclusion	Bellevue College is committed to maintaining an environment in which every member of the campus community feels welcome to participate in the life of the college, free from harassment and discrimination. We value our different backgrounds at BCC, and students, faculty, staff members, and administrators are to treat one another with dignity and respect.
Code of Honor	By being a student in this course you acknowledge that you are a part of a learning community at Bellevue College that is committed to the highest academic standards. As a part of this community, you pledge to uphold the fundamental standards of honesty, respect, and integrity, and accept the responsibility to encourage others to adhere to these standards.
Accommodations	<p>The Disability Resource Center serves students with a wide array of learning challenges and disabilities. If you are a student who has a disability or learning challenge for which you have documentation or have seen someone for treatment and if you feel you may need accommodations in order to be successful in college, please contact DRC as soon as possible.</p> <p>If you are a person who requires assistance in case of an emergency situation, such as a fire, earthquake, etc, please meet with your individual instructors to develop a safety plan within the first week of the quarter.</p> <p>The DRC office is located in B 132 or you can call at 425.564.2498. Deaf students can reach us by video phone at 425-440-2025 or by TTY at 425-564-4110. Application information and other helpful links at www.bellevuecollege.edu/drc</p>
Public Safety	The Bellevue College (BC) Public Safety provides personal safety, security, crime prevention, preliminary investigations, and other services to the campus community, 24 hours per day, 7 days per week. Their phone number is 425.564.2400. Public Safety is located in K100 and on the web at: http://bellevuecollege.edu/publicsafety/ for campus emergency preparedness information, campus closure announcements and critical information in the event of an emergency.
Declare your business major	<p>If you intend to and have not already done so, declare your business major. Make sure you have consulted with an advisor and laid out your courses.</p> <p>Business Transfer Website: http://bellevuecollege.edu/business/transfer/default.htm</p>
CPA Requirements	<p>For students interested in pursuing the Certified Public Accountant designation, check out the following website for educational requirements:</p> <p>http://www.nasba.org/files/2011/02/Info_ForApplicants_Washington.pdf</p>

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	<i>Chapter Objectives</i>
CHAPTER 1	<ol style="list-style-type: none"> 1. Describe the users of accounting information and the two basic types of accounting. Explain how financial accounting standards are determined and roles of the regulatory bodies. Explain the objective, assumptions, and qualities of financial reporting. 4. Identify the parts of the balance sheet, define, and describe their characteristics. 5. Identify the parts of the income statement, define, and describe their characteristics. 6. Identify the parts of the changes in statement of shareholders' equity, define, and describe their characteristics. 7. Identify the parts of the statement of cash flows, define, and describe their characteristics. 8. Explain the purpose of the notes to the financial statements. 9. Analyze business transactions using the accounting equation and prepare the four basic financial statements.
CHAPTER 2	<ol style="list-style-type: none"> 1. Complete journal entries with full documentation. 2. Explain the general ledger system and use debits and credits to record balance sheet transactions. 3. Use debits and credits to record income statement transactions. 4. Explain the first four steps in the accounting cycle and the purpose of each step. 1. Analyze business transaction. 2. Record the transactions in the journal. This provides a chronological listing of the transactions. 3. Post the journal entries to the general ledger. This reorganizes the transaction data by account. 4. Prepare an unadjusted trial balance to prove the equality of the debits and credits in the ledger. 5. Post journal entries to the general ledger and prepare a trial balance.
CHAPTER 3	<ol style="list-style-type: none"> 1. Define accrual accounting and explain how income is measured. 2. Explain accruals and deferrals and how they affect the financial statements. 3. Complete the next 2 steps of the accounting cycle: 5. Journalize and post the adjusting entries (prepayments and accruals) 6. Prepared adjusted trial balance
CHAPTER 4	<ol style="list-style-type: none"> 1. Complete the last 3 steps in the accounting cycle: 7. Prepare financial statements 8. Journalize and post closing entries 9. Prepare post closing trial balance. 2. Sort accounts into a classified balance sheet. 3. Make adjusting entries and prepare the four financial statements. 4. Explain closing the books, and why it is done.
CHAPTER 5	<ol style="list-style-type: none"> 1. Describe the difference between service and merchandising firms. 2. Explain how merchandise is acquired and perform the related accounting including accounting for purchase returns, discounts and allowances. 3. Explain how sales are made and perform the related record keeping including accounting for sales returns, discounts and allowances. 4. Explain the differences between a periodic and perpetual inventory system. 5. Explain, categorize and calculate gross profit, gross profit rate, operating expenses, income from operations, other revenues and gains, other expenses and losses, net income and net profit ratio. 6. Explain the difference between and compile a single-step income statement and a multiple-step income statement from the elements.
CHAPTER 6	<ol style="list-style-type: none"> 1. Explain and apply the four cost flow assumptions (specific, average, FIFO, LIFO) for valuing inventory and cost of goods sold including analysis of purchases, freight, purchase return, cost of goods available for sale, beginning and ending inventory. 2. Explain and analyze the effects of the inventory cost flow assumptions on the financial statements. 3. Explain and apply appropriately the lower-cost-market rule for valuing inventory. 4. Calculate and evaluate a firm's inventory management using the inventory turnover ratio and days inventory.
CHAPTER 8	<ol style="list-style-type: none"> 1. Explain and apply the (1) percent of sales and (2) accounts receivable methods for determining the allowance for doubtful accounts. 2. Explain and calculate net realizable value 3. Calculate bad debt expense and explain how a firm evaluates, adjusts, and reports accounts receivable and allowances for uncollectible and its relationship to the matching principle. 4. Describe how a firm records and reports credit card sales. 5. Calculate and properly account for interest expense. 6. Account for and report Notes Receivable when recognized, valued (net realizable value), honored, dishonored, or sold. 7. Compute receivables turnover and days receivable (average collection period).
CHAPTER 7	<ol style="list-style-type: none"> 1. Identify the six principles of internal control: establishment of responsibility, segregation of duties, documentation procedures, physical controls, independent internal verification, human resource control. 2. Identify cash receipt controls. 3. Reconcile the bank account. 4. Explain how a firm controls cash and complete a case analysis. 5. Explain and prepare a bank reconciliation.