

UNIVERSIDAD DEL SAGRADO CORAZÓN
DEPARTAMENTO DE ADMINISTRACIÓN DE EMPRESAS

SYLLABUS

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| TITLE: | Accounting Principles for Manager I |
| COURSE CODE: | CON 211 |
| PRERREQUISITE: | Course for Business Administration students whose major is not accounting |
| CREDIT HOURS: | Three (3) credits, three (3) weekly hours, a (1) semester |

DESCRIPTION

Analysis of the basic accounting principles for managers. Study of the financial accounting cycle for service enterprises and those engaged in the purchase and sales of merchandise. Discussion of managerial accounting for manufacturing enterprises and the analysis of financial statements. Emphasis on the importance of ethics and social responsibility in any accounting decision process.

JUSTIFICATION

In managing an organization, it is fundamental to know the accounting concepts and tools. This information, managed correctly, will empower the future manager to make correct financial decisions based in the preparation and interpretation of financial information. This course will also enable the student to utilize the management procedures in the planning, evaluation and control of activities through the effective and efficient use of accounting.

COMPETENCES

Cross-disciplinary competences

1. Research (Level 1)
2. Ethical sense (Level 1)

SPECIFIC COMPETENCES

At the end of the course, students will be able to:

1. Understand the process of recording transaction.
2. Chart analysis and prepare journal entries.
3. Complete the accounting cycle for service and commercial entities.

4. Know the accounting process for commercial entities.
5. Apply the principles of a good internal control system.
6. Understand and apply the accounting for receivables.
7. Identify and compute financial indexes to assess the financial position of the company.
8. Recognize and evaluate limitations inherent to the process of analysis of the financial statements
9. Recognize the impact of ethics on accounting processes.

CONTENT

I. Basic Concepts

A. Definitions

1. What is accounting
2. Accounting uses and users
3. Difference between public accounting for private entities and non-profit organizations
4. Generally Accepted Accounting Principles (GAAP)
5. Concept of entity and monetary unit

B. Accounting equation

C. Examples of commercial transactions

D. Basic financial statements

E. Accounting ethical aspects

II. Recording transactions

A. Use of accounting

B. Debit and credit rule

C. Real accounts and nominal accounts

D. Procedures to follow to record transactions

E. Definition and use of the journal

F. Definition and use of the general ledger

G. Procedures for posting entries from the journal to the general ledger

H. Preparing and using the trial balance

III. Adjusting entries

- A. Need of splitting a company's financial life into several periods
- B. Basic principles for the identification of expense entries
- C. Principles of matching concept
- D. Significant adjusting entries

IV. Complete the accounting cycle

- A. Preparation of a working sheet
- B. Closing journal entries
- C. Post-closing trial balance
- D. Analysis of all the aspects of the accounting cycle of a company
- E. Correcting journal entries
- F. Balance sheet:
 - 1. Its format
 - 2. How to analyze it

V. Sales operations

- A. How to determine net income
- B. Purchase and sales of merchandise
- C. Determination of the cost of goods sold
- D. Income statement
- E. The importance of analyzing the income statement
- F. Closing of accounts

VI. Internal control and cash management

- A. Definitions
- B. Characteristics of an efficient internal control system
- C. Internal control for cash transactions:
 - 1. Billing
 - 2. Disbursements
- D. Bank accounts
- E. Preparation of a bank reconciliation
- F. Petty cash funds
- G. Vouchers

VII. Accounts receivable

- A. Identification of the different types of receivables

- B. Recognition of accounts receivable
 - C. Methods and bases utilized to value receivables
 - D. Disposition of receivables
 - E. Promissory notes, determination of due date and interest calculation
 - F. Recognition, valuation and disposition of the note
 - G. Presentation of promissory notes and accounts receivable in the financial statements
- VIII. Financial statement analysis
- A. Analytical tools
 - B. Financial ratios
 - C. Analysis limitations

DIDACTIC STRATEGIES / ACTIVITIES

Explanation of the fundamental concepts of the course by the professor. Development of exercises and practical problems. Formulation and discussion of questions both by professor and students. Active student class participation.

EVALUATION

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|---------------|------------|
| Exercises | 30% |
| Participation | 20% |
| 2 Exams | 30% |
| Final exam | <u>20%</u> |
| Total | 100% |

TEXTBOOK

Weygandt, J. J., Kieso, D. E. & Kimmel, P. D. (2015). *Accounting Principles, 12th Edition*. John Wiley & Sons

RECOMMENDED REFERENCES BOOKS

- Brewer, P. (2017). *Introduction to Managerial Accounting, 8th Edition*. McGraw-Hill
- Broadbent, J. & Laughlin, R. (2013). *Accounting Control and Controlling Accounting: Interdisciplinary and Critical Perspectives*. Esmerald Group Publishing Limited
- Garrison, R. H. (2014). *Managerial Accounting, 15th Edition*. McGraw-Hill
- Harrison, W. T., Horngren, C. T., Thomas, C.W., & Tietz, W.M. (2017). *Financial Accounting, 11th Edition*. Pearson
- Kimmel, P.D., Weygandt, J.J. & Kieso, D.E. (2016). *Financial Accounting, 8th Edition*. John Wiley & Sons
- Libby, R. (2016). *Financial Accounting, 9th Edition*. McGraw-Hill

- Pitcher, G.S. (2018). *Management Accounting in Support of Strategy*. Business Expert Press
- Pratt, J. (2017). *Financial Accounting in an Economic Context, 10th Edition*. John Wiley & Sons
- Romney M.B., & Steinbart P.J. (2016). *Accounting Information Systems, 14th Edition*. New York: Pearson
- Tracy, J.A. & Tracy, T. (2014). *How to read a Financial Report, 8th Edition*. John Wiley & Sons
- Turner, L., Weickgenannt, A.B. & Copeland, M.K. (2016). *Accounting Information Systems: Controls and Processes, 3rd Edition*. John Wiley & Sons
- Warren, C., Reeve, J.M. & Duchac, J. (2018). *Accounting, 27th Edition*. Cengage Learning
- Weirich, T.R., Pearson, T.C. & Churyk, N.T. (2018). *Accounting and Auditing Research: Tools and Strategies, 9th Edition*. John Wiley & Sons
- Weygandt, J. J., Kimmel, P.D., & Kieso, D. E. (2017). *Financial Accounting, 10th Edition*. Hoboken, NJ: John Wiley & Sons
- Wild, John J. (2017). *Financial Accounting Fundamentals, 6th Edition*. McGraw-Hill
- Williams, Jan (2017). *Financial & Managerial Accounting, 18th Edition*. McGraw-Hill
- Yacht, Carol (2017). *Computer Accounting with QuickBooks Online: A Cloud Based Approach*. McGraw-Hill
- Zimmerman, J. (2016). *Accounting for Decision Making and Control, 9th Edition*. McGraw-Hill

WEBSITES

- American Accounting Association: <http://aaahq.org>
- Accounting Education: <http://www.accountingeducation.com/>
- Rutgers Accounting Web: <http://accounting.rutgers.edu>
- AICPA: <http://www.aicpa.org/>
- Colegio CPA: <http://www.colegiocpa.com/>
- Association of Accountants and Financial A Professionals in Business: <http://www.imanet.org/>
- Inc. (magazine): <http://www.inc.com/>
- US Securities and Exchange Commission: <http://www.sec.gov>
- Código de Ética Profesional del Contador Público: http://www.oas.org/juridico/spanish/mesicic3_blv_codigo2.pdf
- AICPA Code of Professional Conduct: <https://pub.aicpa.org/codeofconduct/ethicsresources/et-cod.pdf>

REASONABLE ARRANGEMENT

Students who need special assistance or auxiliary services shall apply to the Associate Dean of

Student Affairs at the beginning of the course or as soon as acquiring knowledge thereof, but not later than the third week of classes.

ACADEMIC HONESTY, CHEATING, AND PLAGIARISM

Any student who fails to follow the dishonesty, fraud and plagiarism policy exposed to the following sanctions: receive grade of zero on the assessment and / or rework on the course, note F (*) in the course: suspension or expulsion as defined in the document Academic Honesty Policy, number: 205-001 DAEE dated effective August 2005.

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