

ACNT 1303, Introduction to Accounting I

Credit for Prior Learning Review Guide

Accounting Concepts and Procedures

Identify organizational forms of business.

Understand the accounting equation -- what does it mean and how to use it.

Analyze transactions using an accounting equation model.

Identify and prepare the three basic financial statements – understand their purposes and relationships; elements and model of each.

Debits and Credits: Analyzing and Recording Business Transactions

Understand debit and credit entries.

Analyze transactions and be able to record in t-accounts.

Know how to prepare a trial balance.

Know how to prepare the financial statements from the trial balance.

Accounting Cycle

Know how to record transactions in a journal and post to ledger accounts.

Know how to prepare a trial balance from the ledger.

Know how to prepare the income statement, statement of owner's equity, and balance sheet.

Know how to correct errors in accounting records.

Know how to prepare and use a worksheet (trial balance, adjustments, adjusted trial balance, income statement and balance sheet columns).

Understand how to calculate and record end-of-period adjustments including, use of supplies, expiration of prepaid items, depreciation on equipment, and accrued salaries.

Know how to prepare the financial statements from the worksheet.

Know how to journalize and post adjusting entries from worksheet.

Know how to journalize and post closing entries.

Know how to prepare a post-closing trial balance.

Banking Procedure and Control of Cash

Understand and identify good internal control measures.

Be familiar with banking procedures.

Know how to prepare a bank reconciliation and journalize appropriate entries.

Know how to establish a petty cash fund, make payments from a petty cash fund, and replenish the petty cash fund.

Understand the use of the Cash Short and Over account.

Payroll Process

Know how to calculate gross earnings, employee withholding taxes (federal income tax, social security and medicare tax), and net pay.

Understand the use of a payroll register and employee earnings record.

Know how to calculate employer payroll tax expense (social security and medicare taxes, FUTA and SUTA).

Understand worker's compensation insurance.

Sales and Cash Receipts

Know how to record gross sales, sales returns and allowances.

Know how to calculate and record sales discounts and sales tax payable.

Know how to use an accounts receivable subsidiary ledger and prepare a Schedule of Accounts Receivable.

Understand and know how to record a credit memorandum.

Know how to record cash sales and cash payments from customers.

Purchases and Cash Payments

Understand the difference between a periodic and perpetual inventory system.

Know how to use a periodic inventory system to record purchases, purchase returns and allowances.

Know how to calculate and record purchase discounts.

Understand the difference between FOB shipping point and FOB destination, and know how to record freight-in.

Know how to use an accounts payable subsidiary ledger and prepare a Schedule of Accounts Payable.

Understand and know how to record a debit memorandum.

Know how to record cash payments for inventory.

Know how to use a perpetual inventory system to record purchases, purchase returns and allowances, purchase discounts, and freight-in (use of inventory account for all).

Accounting Cycle for a Merchandise Company

Know how to make the adjustment for ending inventory in a periodic system.

Know how to adjust unearned revenue accounts (liability).

Know how to calculate net sales, net purchases and cost of goods sold.

Know how to prepare a multi-step income statement.

Know how to prepare a classified balance sheet.

Know how to journalize and post adjusting entries from the worksheet.

Know how to journalize and post-closing entries, including treatment of Income Summary

Know how to prepare a post-closing trial balance.