



This course of study outlines the sequence of learning activities to help you gain competence in financial accounting, managerial accounting, and finance concepts. Your competency in these content areas will be assessed via an objective assessment. Depending on your educational background and work experience, this course of study can take up to sixteen weeks to complete. Following this document sequentially is an important part of your assessment preparation. This tool is also designed to help you become an independent learner by providing multiple learning methods. These steps may be completed more quickly than shown below as determined in consultation with your mentor.

Introduction

Accounting is considered the language of business. Financial accounting is used to make and report the four financial statements following the guidelines set forth in the generally accepted accounting principles (GAAP) to both management and interested parties outside the firm. Managerial accounting is internal accounting used to provide information to help managers react to situations and improve business operations.

Study in both financial and managerial accounting provides a good foundation for the concepts of finance and the decision making necessary to properly manage the capital of a firm and risk.

Overview

Why would a manager need to be familiar with accounting and finance? For one, accounting and finance skills are applicable across all management functions including purchasing, manufacturing, wholesaling, retailing, marketing, and finance. They provide a base from which to build broad knowledge about virtually all business functions and industries. Finance is the study of methods individual businesses and organizations use to raise, allocate, and manage money. Therefore, in this course of study there are three content areas that are measured in the ADC2 assessment. Many of these content topics will enable you to manage in a more informed way at your place of business.

Suppose that it is the first month in your new career with your MBA. You have been assigned to a committee that will assess three different projects. The committee will need to consider forecasted financial statements prepared individually for each of the projects, and you will help prepare a recommendation to upper management suggesting the project that will provide an acceptable return for the limited capital that can be invested.

Would you be able to take an active role in the committee assignment outlined above? Depending on your background, you may or may not be prepared. The concepts in accounting and finance will provide a sound basis for such business decision making. As a master of business administration graduate, you will enter the workforce with higher-level skills than expected. The study you complete in the next several weeks will provide a solid background so that you can participate in business decisions from the beginning of your career. The ADC2 assessment covers the following content areas:

- financial accounting (29 questions)
- managerial accounting (35 questions)
- finance (35 questions)

The assessment, which is a proctored objective assessment, consists of 99 multiple-choice questions with a "Pass" score of 51%. The assessment must be taken at an approved testing site once you have adequately prepared for all three sections of the ADC2 assessment.

Competencies



There are three major academic competencies associated with this course of study:

Competency (Non-CMBA Option): Financial Accounting

The student understands concepts and procedures associated with financial accounting.

Competency (Non-CMBA Option): Managerial Accounting

The student understands concepts and procedures associated with managerial accounting.

Competency (Non-CMBA Option): Finance

The student understands concepts and procedures associated with finance.

Required Learning Resources

MyAccountingLab: an interactive, online, independent learning resource that includes the following textbook in electronic format:

- Horngren, C. T. & Harrison, W. T. (2009). *Accounting* (8th ed.). Upper Saddle River, NJ: Pearson Prentice Hall.

Other textbooks:

- Garrison, R., Noreen, E., & Brewer, P. (2009). *Managerial accounting* (13th ed.). McGraw-Hill. ISBN: 0073379611.
- Ross, S. Q., Westerfield, R. W. & Jordan, B. D. (2008). *Fundamentals of corporate finance* (8th ed.). New York: McGraw-Hill/Irwin. ISBN: 0073282121

SkillSoft/SkillPort Library: includes interactive modules, simulations, books, SkillBriefs, and Job Aids.

Introduction to Accounting: The Language of Business video lecture series. Register for access; the modules are included at no cost to you.

Preparing for Success

You need the appropriate resources to support your learning as you prepare to successfully complete ADC2 (non-CMBA option). The various learning resources included in this course of study are essential to your success, as they will provide the necessary knowledge to pass the ADC2 objective assessment.

After completing this section's activities, you should have:

- purchased your textbooks,
- logged in to the graduate accounting message board and posted an introduction, and
- logged in to SkillSoft

Topics

Acquire Learning Resources

Arrange to obtain or enroll in the learning resources listed below so there will be no delays in your studies. These items are essential for you as the course of study will guide you weekly in the use of these resources

Resources



Order Textbooks

URL: <http://www.shop-edmap.biz/wgu/>

Order the following textbooks:

- Garrison, R., Noreen, E., & Brewer, P. (2009). Managerial accounting (13th ed.). McGraw-Hill ISBN: 9780073379616.
- Ross, S. Q., Westerfield, R. W., & Jordan, B. D. (2008). Fundamentals of corporate finance (8th ed.). New York: McGraw-Hill/Irwin. ISBN: 0073282121.

The WGU Bookstore has these books available for immediate purchase and delivery. You may shop at other online bookstores, but be sure to order early and use the correct ISBN to get the correct edition.

Introduction to Accounting: Language of Business.

Access Financial Accounting Financial Boards Database

URL: <http://aaahq.org/ascllogin.cfm>

The university provides student access to the Financial Accounting Financial Board database. Here is the log in information for access to the accounting pronouncements database.

Log in at the website above using the following credentials:

User ID: AAA52071
Password : Spuhwob

Log In to SkillSoft

Throughout this course of study, you will have the opportunity to use SkillSoft courses, simulations, books, SkillBriefs, and Job Aids to enhance your understanding of various accounting and finance topics. The following activities will confirm that you have access to SkillSoft and will give you an opportunity to get a feel for the SkillSoft learning environment.

Resources

Navigating in SkillSoft

Take some time to become acquainted with the SkillSoft learning environment. Search for information on bond valuation as a practice topic. Were you able to find books, courses, simulations, SkillBriefs, and Job Aids from this search? If you have questions on how to navigate in SkillSoft, ask your mentor for assistance.

Log In to SkillSoft

URL: <http://wgu.skillport.com>

Use the instructions you received from [SkillSoft](#) to log in. Notify your mentor that you were able to successfully log in. If you were unable to do so, ask your mentor for assistance. You can access your SkillSoft library by clicking on the link above.

Set Up Study Plan in SkillSoft



URL: <http://wgu.skillport.com>

Using your SkillSoft Account:

[https://web5.wgu.edu/aap/content/Using%20the%20SkillSoft%20Library%20\(2\).doc](https://web5.wgu.edu/aap/content/Using%20the%20SkillSoft%20Library%20(2).doc)

The SkillSoft library contains several modules that will assist you in preparing for the ADC2 assessment. Some preselected lessons are included throughout this course of study. New students are automatically enrolled in SkillSoft during EWB. All students will use their WGU Student Portal login and password to access SkillSoft.

For additional information on using your SkillSoft account, read the "Using Your SkillSoft Account" document at the address above.

Logging In to SkillSoft

Log in to SkillSoft and access the modules which are listed in this course of study:

1. Log in to SkillSoft at the "SkillPort" URL above.
2. Enter the module name (not the module number or the WGU assessment code) listed in the various sections of this course of study in the "Search For" box.
3. Click on the course.
4. Read the SkillSoft lesson overview.
5. Take the SkillSoft course pre-test for each section where available.
6. Complete the modules where your pre-test scores are low.
7. Take the posttests after completing all of the modules.

For additional information, review the SkillBriefs, Job Aids, and Books24x7 associated with each module

MyAccountingLab

MyAccountingLab offers interactive tutorials, demonstrations, practice problems, and other resources to help students successfully complete the accounting exams and performance tasks.

Resources

Enroll in MyAccounting Lab

URL:

MyAccountingLab How To

<https://web5.wgu.edu/aap/content/MyAccountingLab%20How%20To.pdf>

You can enroll in the MyAccountingLab learning resource through your AAP. The link to enroll in MyAccountingLab is available on the AAP on the "View" tab under "Available Learning Resources." To enroll in MyAccountingLab, click on "Show Sections" and "Enroll Now" for MBA Financial and Managerial Accounting by Pearson. For additional information on MyAccountingLab, see the "MyAccountingLab How To" document above.

Introduction to Accounting: Language of Business

Enroll for **Introduction to Accounting: Language of Business** through your AAP, assisted by your mentor. After you enroll the lessons will be shipped to you along with instructions for using the materials. Register for access; the modules are included at no cost to you.

The lessons are instructor led with on screen presentation of material. There are numerous helps built into each lesson. There is no textbook for this resource but adequate support is provided in



the lessons and through the eText in MyAccountingLab.

Message Board

The ADC2 Message Board is an integral part of this course of study and will be your gathering place to communicate with your course mentor and student peers as you work through this course of study. You will also be participating in activities throughout this course of study that will require you to post and comment on selected topics as well as receive assistance as you prepare for the objective assessment.

While on the message board, check the posts of others. Provide some reaction to your peers. Did they do an exceptional job in pointing out some factor you missed? Did they post a comment that you feel is incorrect? This collaboration can be an excellent addition to your learning.

Accounting Fundamentals: Financial Accounting Concepts

To begin your preparation for the assessment, you will complete the "Accounting Primer" in MyAccountingLab. Students with a strong background in accounting coursework or extensive work experience in the accounting field should be able to move quickly through the "Accounting Primer" by taking and passing the Check Out assessments for each chapter.

In this first chapter of the "Accounting Primer," you will discover facts about the field of accounting, and you will work with the basic accounting equation and financial statements. As mentioned in the Introduction, accounting is the "language of business." It is how a business "keeps score." In terms of a formal definition, accounting is the practice of recording, classifying, and summarizing money, transactions, and events of an organizational entity.

Financial statements are the communication tools used by business to show interested parties the results of operations and the financial condition of the company. The interested parties could include owners, lenders, government agencies, and others.

Understanding how to record business transactions using debits and credits is one of the most important accounting concepts. It is helpful for students to employ a methodical approach to analyzing transactions. With repetition and reinforcement, students will find that they are applying the transactional analysis and recording correctly.

Therefore, some questions to ponder are:

- How do you explain what accounting is all about?
- What is the purpose of accounting to individuals and organizations?
- How is the balance sheet equation used?

Topics

Financial Accounting Concepts and Procedures

In chapter 1 of *Accounting*, you will become familiar with some assumptions and principles used in accounting, and you will discover and apply the basic equation that all accounting logic is built on.

When you have completed this topic, you will be able to apply accounting principles and concepts, use the accounting equation, analyze business transactions, prepare financial statements, and evaluate business performance.



Resources

Message Board

Visit the message board. Look for the "Chapter 1" discussion thread. Post a one-paragraph comment about your findings from the Internet exercises in the previous activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

MyAccountingLab

Complete the structured learning steps in the Accounting Primer for this study of the accounting and business environment. Read chapter 1 ("Accounting and the Business Environment") in *Accounting* in MyAccountingLab after taking the Check In quiz. Continue through the structured learning steps for the chapter after completing the reading.

Connecting terms: When learning about financial statements, focus on page 22. Financial statements have a particular purpose and must be completed in a set order. Be sure to note this page for future reference.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this SkillSoft lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0121: Accounting Fundamentals

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640937.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete options #1 and #2.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 1 as you review an introduction to accounting concepts, principles, and the accounting cycle.

Accounting Fundamentals: Recording Business Transactions

Chapter 2 of *Accounting* provides information on how to record business transactions. Understanding the business transactions process is critical to the study of accounting fundamentals. The flow of business transactions from transaction analysis through recording the necessary entries in the journal and ledger by applying the rules of debit and credit is covered.

When you have completed this topic, you will be able to apply the rules of debits and credits, identify how to record to the journal and ledger, and create a trial balance.

Resources

SkillSoft Exercise



URL: <http://wgu.skillport.com>

Complete the following SkillSoft lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0121: Accounting Fundamentals

MyAccountingLab

Complete the structured learning steps in the "Accounting Primer" for this study of recording business transactions. Read chapter 2 *Accounting* in MyAccountingLab after completing the Check In quiz. Continue through the structured learning steps for the chapter after completing the reading.

Connecting terms: It is necessary to know the account classification (e.g., asset, liability) when applying the rules of debit and credit to transactions. Note that the chart of accounts has a set format and can be used as a reference list to locate the account needed for recording. The rules of debit and credit and the account classifications must be linked to enhance your understanding.

Internet Exercises

Click on the "*Accounting*: Chapter 2" link above and then select "Internet Exercises" from the menu on the left side of the page. Complete option 2. The URL cbs.marketwatch.com gives a broken link indication. Use www.marketwatch.com instead as the URL. This is the first exercise that asks you to consider trends. You will use your findings from the search when you post your work to the message board as you collaborate with your peers.

Message Board

Visit the message board. Look for the "Chapter 2" discussion thread. Post a one-paragraph comment about your findings from the Internet exercise in the previous activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 2 as you review an introduction to accounting concepts, principles, and the accounting cycle.

Accounting Fundamentals: The Accounting Cycle

The study of the accounting cycle continues as you work in the Accounting Primer chapters 3 and 4.

Adjusting entries are used to fulfill the matching principle in accounting. In short, the goal is to match the revenue and expenses of the operating period. This is the essence of accrual accounting. Major corporations are required to use accrual accounting instead of cash basis accounting, which is sometimes preferred by smaller entities.

In chapter 4 the process of creating the financial statements and getting the financial records ready for the next accounting period are covered. Focus primarily on the closing process in the chapter. The worksheet is an internal tool and should not be the focus in this overview of fundamentals.



One question to think about while working through this section is:

- What is the sequence of activities known as the accounting cycle?

Topics

Adjusting Process and Completing the Accounting Cycle

The activities in chapter 3 of MyAccountingLab will guide you through the adjusting process used in accrual accounting.

When you have completed chapter 3, you will be able to distinguish accrual accounting from cash basis accounting, apply the revenue and matching principles, create an adjusted trial balance, and determine the bad debt expense and allowance.

Resources

Message Board

Visit the message board. Look for the "Chapter 3" discussion thread. Post a one-paragraph comment about your findings from the Internet exercise in the previous activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640945.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete options #2 and #3. (The company information is listed in option #1.) You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

MyAccountingLab

Complete the structured learning steps in chapter 3 of the -Accounting Primer? for this study of adjusting entries. Read chapter 3 (-The Adjusting Process?) in the Horngren e-textbook after completing the -Check In? quiz. Also, read pages 433-440 in chapter 8 for coverage of a special adjusting entry required for bad debt recognition. Continue through the structured learning steps for chapter 3 after completing the reading.

Connecting terms: Adjusting entries come in two types-prepaid expenses and accruals. Prepaid expenses are recorded as assets, and then the amount used during the accounting period is recorded as an expense, essentially shifting the portion of the asset that is expired to the expense. Accrual adjustments are not on the accounting records but are added to the books when the adjusting entry is done.

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Review these [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:



- FIN0122: Accrual Accounting Procedures
- FIN0243: Managing for Asset Control
- FIN0255: Analyzing Cash Flow

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 3 as you review an introduction to accounting concepts, principles, and the accounting cycle.

Completing the Accounting Cycle

The activities for this topic will complete your work on the accounting cycle.

In chapter 4 of MyAccountingLab you will complete the accounting cycle and get the accounting records ready for the next accounting period.

When you have completed chapter 4, you will be able to identify permanent and temporary accounts, perform the closing entries, and create a trial balance.

Resources

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640949.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete option #3. The website you will use is listed in #1. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Congratulations! You have successfully completed the first section of the course of study. Now that you have mastered accounting fundamental concepts in the "Accounting Primer," you will move to the more advanced topics in the ADC2 Financial Accounting course in MyAccountingLab.

SkillSoft Excerise

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) module with relevant accompanying Job Aids and SkillBriefs:

- FIN0123: Accounting Systems and Closing Entries

MyAccountingLab

Complete the structured learning steps for chapter 4 in the Accounting Primer in MyAccountingLab to learn how to close the accounting period. Read chapter 4 and complete the "Accounting Cycle" in *Accounting* after completing the Check In quiz. Continue through the structured learning steps for the chapter after completing the reading.

Connecting terms: Closing entries are performed to get the financial records ready for the next accounting period. Be sure you can identify the accounts that need to be closed, the classification of those accounts, and how the income statement and balance sheet are affected.

Introduction to Accounting: Language of Business



Actively participate in Basic Lesson 4 as you review an introduction to accounting concepts, principles, and the accounting cycle.

Accounting: More Advanced Concepts

During this section you will study internal control and cost allocation of long term assets. Long-term assets provide economic benefit to the firm over multiple accounting periods. Different allocation methods are available, and management decides which provides the most benefit to the business. This section you will also begin the study of corporate equity.

What is the role of the greeter at a supermarket? This person greets, hands out stickers to kids, and tags returns. This is an internal control for inventory. A customer should not be able to make a return without that tag.

Long term assets will provide economic benefit to a business over multiple accounting periods. Accrual accounting requires that this benefit be recorded as an expense so it is matched against the revenue it supports.

Corporate equity reporting must be different from the sole proprietorship and partnership accounting since a corporation can have infinite life. The contributed capital and earned capital are accounted for and reported separately. The reward of ownership comes in two potential forms—dividends and the increase in the worth of the investment.

Topics

Internal Control Structure

Internal control is a very important part of the accounting system. In fact, it is one of the first tests conducted in an audit.

After completing chapter 7 of *Accounting*, you should be able to answer the following questions:

- What methods are used to protect company assets in an internal control system?
- What are the main impacts of the Sarbanes-Oxley act?

Resources

MyAccountingLab

Go to the "ADC2 Financial Accounting" course in MyAccountingLab. Read the chapter 7 material related to internal control. Complete the structured learning steps for the chapter after completing the reading.

Connecting terms: Be able to identify the internal control procedures used in an internal control system.

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Complete these [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- FIN0243: Managing for Asset Control



- Guide to the Sarbanes-Oxley Act: Internal Control Reporting Requirements

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640965.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete option #2. (The company information needed for your search is listed in option #1.) You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 7 as you review an introduction to accounting concepts, principles, and the accounting cycle.

Cost Allocation for Long-Term Assets

Cost allocation is the method used to recognize the use of a long-term asset in the accounting periods in which it will provide economic benefit. You will study multiple methods.

After completing chapter 9 of *Accounting*, you should be able to answer the following questions:

- What is the cost of property, plant, and equipment?
- What is the amount of cost allocation to record for a long term asset?
- What is the amount of cost allocation to record for an intangible asset?
- What special rules apply to accounting for research and development?

Resources

MyAccountingLab

Go to the ADC2 Financial Accounting course in MyAccountingLab. Complete the structured learning steps for chapter 9. Read chapter 9 in *Accounting* after completing the Check In quiz. Continue through the structured learning steps for the chapter after completing the reading.

Connecting terms: Be able to identify the different methods available to cost allocate long-term assets to include straight line, double declining balance, and units of output. What is the cost of land?

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0258: Analyzing an Annual Report

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640973.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete option #2. (The company information needed for your search is listed in option #1.) You will use your findings from the search when you post your work to



the message board as you collaborate with your peers in the virtual class discussion.

Message Board

Visit the message board. Look for the "Chapter 9" discussion thread. Post a one-paragraph comment about your findings from the Internet exercise in the previous activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 8 as you review an introduction to accounting concepts, principles, and the accounting cycle.

Corporations: Paid-In Capital and the Balance Sheet

Corporations are distinctive. Ownership evidence is a share of stock. Normally for large corporations, the common stockholders vote on a board of directors who appoint a management team to run the company.

After completing chapter 11 of *Accounting*, you should be able to record the issuance of shares of stock, differentiate between common and preferred stock, and answer the question, what is done on each of the dates associated with a dividend.

Resources

MyAccountingLab

Go to the ADC2 Financial Accounting course in MyAccountingLab. Complete the structured learning steps for chapter 11. Continue through the structured learning steps for the chapter after completing the reading.

Connecting terms: Common stock and preferred stock differences, dividend dates, share recording.

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) modules with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions
- FIN0222: Accounting for Corporations

Internet Exercises

URL: http://wps.prenhall.com/bp_hornegren_accounting_7/55/14222/3640985.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete options #1 and #2. (The company information needed for your search is listed in option #1.) You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.



Message Board

Visit the message board. Look for the "Chapter 11" discussion thread. Post a one-paragraph comment about your findings from the Internet exercise in the previous activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 9 as you study equity and begin your work on long term liabilities.

Corporate Equity and Long Term Liabilities

During the first part of this section you will continue your study of corporate equity as you study stock dividends, stock splits, treasury stock, and the retained earnings account. The second topic for this section is a study of long-term liabilities, typically bonds used as another source of capital acquisition.

In chapter 12 of the Horngren text, many more concepts related to corporate equity and stockholder ownership are discussed. Shareholders expect some type of return for their investment. For some it would be a dividend; for others, they seek market value growth; for others, they want both.

In chapter 10 of the Horngren text, you will study different types of bonds, how the price is determined when sold, and the entries made when the interest is paid.

Topics

Retained Earnings and the Income Statement

When you have completed chapter 12, you will be able to record cash dividends, stock dividends, and stock splits, account for treasury stock, account for retained earnings, and use income statement results to calculate the earnings per share and what it means.

Resources

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640989.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete option #2. (The company information needed for your search is listed in option #1.) You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Complete the [SkillSoft](#) modules and the accompanying Job Aids and SkillBriefs:



- FIN0213: Raising Capital and Financing Decisions
- FIN0222: Accounting for Corporations

MyAccountingLab

Chapter 12 of *Accounting* discusses additional corporate equity issues after the introduction to corporate equity in chapter 12. Work through the structured lesson for chapter 12. Continue through the structured learning steps for the chapter after completing the reading.

Connecting terms: Know what the following terms mean and how transactions related to them are recorded: treasury stock, income from treasury stock, large stock dividend, small stock dividend, stock split. You must connect the terms to the accounting application in order to fully understand corporate accounting.

Introduction to Accounting: Language of Business

Review Basic Lesson 9 as you review the equity concepts and emphasize your study of long term liabilities.

Long-Term Liabilities

You will study long-term liabilities for this topic. Bonds are used by corporations and governments as another source of capital.

When you have completed chapter 10, pages 542-589, you will be able to identify the characteristic of specific bond type, determine the price of a bond when sold, record the interest when paid, and identify the advantages and disadvantages of issuing bonds versus stock.

Resources

MyAccountingLab

Chapter 10, pages 542-589 of *Accounting* discusses long-term debt. Read chapter 10, pages 542-589, and continue through the structured learning steps for the chapter.

Connecting terms: When determining the selling price of a bond, there are two time value of money (present value) calculations made. Be sure to study these concepts using appendix 10A.

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640993.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete option #2. (The company information needed for your search is listed in option #1.) You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions



Message Board

Visit the message board. Look for the "Chapter 10" discussion thread. Post a one-paragraph comment about your findings from the Internet exercise in the previous activity.

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 9 and Expanded Lesson 7 as you study long term liabilities.

Statement of Cash Flows and Financial Statement Analysis

During this section you will complete your study of financial accounting principles. You will study the fourth required financial statement and also some financial statement analysis tools.

The statement of cash flows is the fourth required financial statement. It can be completed in two ways. In your study you should review both options.

Chapter 14 concludes the study of financial accounting. All of the principles, assumptions, rules, and logic have a purpose—to present a set of financial statements that can be used by a variety of users including investors, managers, and loan officers. This chapter presents tools to accomplish this analysis.

Topics

Statement of Cash Flows

The statement of cash flows is the fourth required financial statement. It is completed after the balance sheet and summarizes the sources and uses of cash during the accounting period.

When you have completed chapter 13, you will be able to list the components that comprise a typical financial statement, describe how changes to a company's revenue and expenses affect its income statement, and describe how changes in income statement and balance sheet data affect a statement of cash flows.

Resources

MyAccountingLab

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Read chapter 13 on the statement of cash flows. Work through the structured lesson for chapter 13.

Then, click on the link above and view the chapter 15 video.

Connecting terms: The statement of cash flows has three activities reported on it: operating, investing, and financing. It is important to understand what is reported in each activity and how to arrive at the balances for each one.



SkillSoft Exercise

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- fin_01_a04_bs_enus Financial Statements

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3640997.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete options #2 and #3. (The company information needed for your search is listed in option #1.) Some other options for your search include CSCO, DELL, MSFT, GE, XON, or a company you choose. Modify your search as necessary to find the information. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Introduction to Accounting: Language of Business

Review your study of Basic Lesson 2 as you study accounting as you review the Statement of Cash Flows.

Financial Statement Analysis

You will complete chapter 14 in MyAccountingLab as you study how financial statement analysis using different methods is done, and you will complete multiple ratios.

A company's ratios are relatively easy to calculate, but stopping at these calculations would provide only a small subset of potential information that can be gleaned from the data. How do the ratios compare with last year's calculations, with other companies in the same industry, or with the market? Remember, you are concerned with more than just calculating the values. You also need to consider the usefulness of the information and what it tells each user.

When you have completed chapter 14, you will be able to complete the horizontal and vertical analyses, work with liquidity ratios and determine their usefulness in decision-making, work with performance ratios and determine their usefulness in decision-making, and work with investment utilization ratios and determine their usefulness in decision-making.

Resources

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3641001.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete options #2 and #3. (The company information needed for your search is listed in option #1.) Choose another company if you like. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

MyAccountingLab

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html



Read chapter 14 and work through the structured lesson for chapter 14. View the video. Then click on the link above, and view the chapter 16 video.

Consider the following questions: How do horizontal and vertical analyses differ? Can you identify a liquidity ratio, a solvency ratio, and a profitability ratio?

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- FIN0253: Analyzing the Income Statement and Balance Sheet
- FIN0254: The Income Statement and Balance Sheet Connection
- FIN0256: Ratio Analysis for Financial Statements
- FIN0258: Analyzing an Annual Report

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 10 and the Hot Cars, Inc. example as you study financial statement analysis.

Managerial Accounting (Part 1)

This section will help you prepare for the managerial accounting section of the ADC2 assessment, which includes 35 total questions.

Some questions to think about include the following:

- What does *managerial accounting* mean?
- What are the differences between managerial accounting and financial accounting?

The key difference between financial accounting and managerial accounting is that the latter's goal is to help managers in businesses by providing them with reports that help to highlight financial issues.

Topics

Introduction to Managerial Accounting

Managerial accounting is focused on cost control and on providing managers with information that is timely and useful for immediate decision needs.

After completing this topic's activities, you will be able to describe how opportunity cost concepts can enhance a management decision, calculate product and unit of service standard costs, and determine a company's most profitable product, customer, or division.

Resources

Online Quiz

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3641005.cw/index.html

For additional practice, access this textbook's website at the link above and review the chapter



summary. Take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook.

MyAccountingLab

Log in to MyAccountingLab and work through the chapter 15 lesson under ADC2 Managerial.

Video

URL: http://www.mhhe.com/business/accounting/garrison11e/content/additional_video/011pv.swf

Click on the link above and view the "Need for Managerial Accounting Information" video.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Complete the following [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0241: Overview of Managerial Accounting.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 11 as you begin studying managerial accounting concepts.

Introduction to Budgets

A business budget is a plan that includes an organization's financial and operations goals.

After completing this topic's activities, you will be able to calculate variances based on volume, efficiency, and price, describe the use of a flexible budget in a business, and describe the preparation of a master budget.

Resources

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Review the following [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- Fin_01_a02_bs_enus: The Basics of Budgeting
- FIN0224: Master Budgets.

Internet Exercises

The Master Budget and Responsibility Accounting:

http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3641021.cw/index.html

Flexible Budgets and Standard Costs:

http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

For additional practice, access this textbook's website at the links above, review the chapters 21



and 22 summaries, and take the online quiz by clicking on "Multiple Choice" on the menu to the left.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook.

Videos

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Watch the following videos at the website above:

- The Budget Process
- Setting Standards
- Flexible Budgets

MyAccountingLab

Log in to MyAccountingLab and work through chapter 21 and 22 lessons under ADC2 Managerial.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 14. Use the lesson to review the budget techniques used to forecast the future period's operations.

Also work through Expanded Lesson 14 as you study standards and variances from standards.

Job Order Costing

Job order costing is used in situations where the organization offers many different products or services, such as in furniture manufacturing, hospitals, and legal firms. Questions to ask as you go through this section include the following:

- What is job order costing?
- What types of job order costing are there?
- What is the job order process?
- When is job order costing appropriate?

Topics

Job Order Costing and Overhead Allocation

Job order costing is used to accumulate the costs for a specified project. Materials requisition forms and labor time tickets are used to assign direct materials and direct labor costs to jobs in a job costing system. Manufacturing overhead costs are assigned to jobs using a predetermined overhead rate.

The predetermined overhead rate is most frequently allocated using direct labor-hours and machine-hours. Overhead is applied to jobs by multiplying the predetermined overhead rate by the actual amount of the allocation base used by the job.

When overhead is overapplied or underapplied, the manufacturing overhead costs must be adjusted to ensure that all actual costs are recorded. Inventories or expenses must be adjusted to reflect the necessary change.



After completing this topic's activities, you will be able to determine how direct costs flow through a job order costing system, how overhead costs are applied in a job order costing system, what are the alternative methods for disposing of applied overhead balances are, and in what type of situations job order costing would be appropriate to use.

Resources

Managerial Accounting

Read chapter 3 in *Managerial Accounting*. After reading this chapter you should understand how direct and indirect costs move from introducing the raw material at the beginning of the manufacturing process to when the product is completed and moves to finished goods inventory.

Video

URL: <http://science.discovery.com/video/how-its-made.html>

Use the link above to access some short clips from the "How It's Made" television program. The link will show a short promotional video first. A product video will begin showing immediately thereafter. You can select a different product that is interesting to you from a tabulated list on the right.

View a video. Write a brief summary that identifies the product and why the company making the product would or would not use a job order costing system. Post a one-to-two paragraph summary about the product to the "Job Order Costing" discussion thread in the message board.

Message Board

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/chapter3/

Take the multiple choice quiz for the chapter-available on the *Managerial Accounting* website-to do a final check on your understanding of the content.

Website Activities

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/chapter3/

Use the website to do the following activities:

- Review the content you have read by reviewing the narrated slides.
- Click on the video library and view the chapter 3 video.
- Use the flash cards to review the key terminology in the chapter.
- Attempt the practice exam problem, then check the solution at the end of the exam.

Process Costing

Process costing is used in situations where homogeneous products or services are produced on a continuous basis. A process costing system differs from a job order system primarily in that costs



are accumulated by department (rather than by job), and the department production report replaces the job cost sheet.

Topics

Determining the Number of Equivalent Units and Unit Cost

Processing cost reporting is based on a set time period. There will usually be some production in process at the end of the time period. You will study how equivalent full units are determined.

The activity in a department is summarized on a production report, which has three separate (though highly interrelated) parts. This report summarizes the full equivalent units produced and summarizes the costs of the production.

After completing this topic's activities, you will be able to answer the following questions:

- How do materials costs and conversion costs flow through a process costing system?
- How is the cost per equivalent unit calculated when using the weighted-average method?
- How is total cost accounted for on a production report when using the weighted-average method?
- In what type of situations would process costing be appropriate to use?

Resources

Company Operations Activities

URLs:

Biolea

<http://www.biolea.gr>

Evian

<http://www.evian.com>

Ircon International Limited

<http://www.irconinternational.com>

Gulf Craft Inc

<http://www.gulfcraftinc.com>

Selected company websites are listed above. Review the information about the operations of one of the companies and decide whether the company would be likely to use a process costing system. Write a brief summary (one paragraph) about your findings, describing the reasons why the company most likely would or would not use process costing. Post your one-paragraph summary to the "Process Costing" discussion thread in the message board.

Message Board

While in the message board, read and respond to the ideas presented by other students. Interacting with other students is an excellent way to help you clarify your own understanding of these concepts.

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/chapter4/



Take the multiple choice quiz for the chapter-available on the *Managerial Accounting* website-to do a final check on your understanding of the content.

Managerial Accounting

Read chapter 4 in *Managerial Accounting*. The goal in reading this chapter is to ascertain the applicable manufacturing environment for using process costing, how product costs are determined, and how the production report is used to determine and report the unit cost and the total costs of production.

Website Activities

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/chapter4/

Use the website to do the following activities:

- Review the content you have read by reviewing the narrated slides.
- Click on the video library and view the chapter 4 video.
- Use the flash cards to review the key terminology in the chapter
- Attempt the practice exam problem, then check the solution at the end of the exam.

Managerial Accounting Toolbox

Review what you have learned in the unit activities so far. In your managerial accounting toolbox, write a summary of what you have learned. Have you discovered a new tool to go into your toolbox?

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 12 as you continue your concept coverage in managerial accounting with a study of job order costing and process costing.

Managerial Accounting (Part 2)

This section will help you prepare for the managerial accounting section of the assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

The key difference between financial accounting and managerial accounting is that the latter's goal is to help managers in businesses by providing them with reports that help to highlight financial issues

Topics

Cost-Volume Profit Analysis

A cost-volume profit analysis is used to determine how much sales volume your business needs to start making a profit.

After completing this topic's activities, you will be able to calculate the breakeven rate based on units and sales dollars, identify examples of variable, fixed, and sunk costs, determine variable, fixed, and total costs using estimation methods, contrast income reported under variable costing and full absorption, identify how period costs are treated in financial statements, use activity-based costing to determine product costs, and identify the components of the balanced scorecard.



Resources

MyAccountingLab

Log in to MyAccountingLab and work through chapter 18 lessons under ADC2 Managerial.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0244: Cost Accounting Decisions.

Online Quiz

Access this textbook's website, review the chapter 18 summary, and take the online quiz. Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook.

Video

URL: http://www.mhhe.com/business/accounting/garrison11e/content/additional_video/061pv.swf

Click on the link above and view the "Cost-Volume-Profit Relationships" video.

Text Support

Read chapter 6 in *Managerial Accounting* by Garrison. The goal in reading this chapter is to ascertain how cost-volume-profits techniques help manager's determine the breakeven point and how to achieve a target profit.

Introduction to Accounting: Language of Business

Actively participate in Basic Lesson 13. Use the lesson to review cost-volume-profit techniques.

Internet Exercises

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3641017.cw/index.html

Connecting your study to life: Click on the link above. Select "Internet Exercises" from the menu on the left side of the page. Complete options #1 and #2. You will use your findings from the search when you post your work to the message board as you collaborate with your peers in the virtual class discussion.

Activity-Based Costing

Activity-based costing is a method that enables an analyst to measure the cost and performance of cost objects.

After completing this topic's activities, you will be able to use activity-based costing to determine product costs and identify the components of the balanced scorecard.

Resources

MyAccountingLab



Log in to MyAccountingLab and work through chapter 17 lessons under ADC2 Managerial.

Online Quiz

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3641029.cw/index.html

Access this textbook's website, review the chapter 17 summary, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0244: Cost Accounting Decisions

Videos

URL:
http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Click on the links above and view the two videos, "ABC Overview" and "Implementing an ABC System."

Managerial Accounting

Read chapter 8 in *Managerial Accounting*.

Introduction to Accounting: Language of Business

Actively participate in Expanded Lesson 15 as you study Activity Based Costing.

Managerial Accounting (Part 3)

This section will help you prepare for the managerial accounting section of the assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses. Reflect on the following questions:

- What is capital budgeting?
- What are the basic steps to capital budgeting?
- What are the differences between accounting and financial accounting?

The key difference between financial accounting and managerial accounting is that the latter's goal is to help managers in businesses by providing them with reports that help to highlight financial issues

Topics

Capital Budgeting



Capital budgeting is the activity of determining how to treat capital assets, when to depreciate, and how to depreciate.

After completing this topic's activities, you will be able to determine appropriate cost allocations given selected financial data, calculate the economic impact of processing specific products beyond split-off, optimize production to maximize profits from a mix of planned products and activities, identify relevant costs in new equipment, make-or-buy, and drop-or-add decisions, determine the minimum acceptable price for a special order, calculate the net present value of an investment opportunity, and contrast relative performance based on ROI, EVA, ROS, etc.

Resources

SkillSoft Exercises

URL: <http://wgu.skillport.com>

Review the following [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- FIN0162: The Ins and Outs of Capital Budgeting
- FIN0211: Introduction to Advance Finance
- FIN0212: Investment Project Analysis and Selection
- FIN0242: Managerial Decisions and Capital Budgeting

Review the following SkillBriefs:

- Understanding the Contribution Margin Ratio under FIN0244 Cost Accounting Decisions

Websites Activity

URLS:

Understanding the Time Value Of Money:

<http://www.investopedia.com/articles/03/082703.asp>

Time Value of Money:

<http://www.studyfinance.com/lessons/timevalue/index.mv>

Review these websites on time value of money.

MyAccountingLab

Log in to MyAccountingLab and work through chapter 20 lessons under ADC2 Managerial.

Online Quiz

URL: http://wps.prenhall.com/bp_horngren_accounting_7/55/14222/3641033.cw/index.html

Access this textbook's website, review the chapter 20 summary, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook.

Video

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html



Click on the link above and view the "Capital Budgeting Decisions" video.

Introduction to Accounting: Language of Business

Actively participate in Expanded Lessons 7 and 17 as you work with time value of money and capital budgeting techniques that are used in the business to help determine the best options for using the limited resource - capital.

Managerial Accounting (Part 4)

This section will help you prepare for the managerial accounting section of the assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

Consider the following questions: When should a product deficiency be fixed? At what point is a quality problem the most expensive for the company? Discover the answers in your study this week.

Topics

Quality

Quality deficiencies cost more to fix as the product moves closer to completion and delivery to the customer. Consider the following questions as you study: Who is responsible for product quality, and when should problems be addressed?

After completing this topic's activities, you will be able to create a quality cost report.

Resources

Managerial Accounting

Read chapter 2, appendix 2B, in *Managerial Accounting*. The goal in reading this chapter is to discover how quality is measured and reported.

Transfer Pricing and Reporting Results

The activity in a department is summarized on a production report, which has three separate (though highly interrelated) parts. This report summarizes the full equivalent units produced and summarizes the costs of the production.

After completing this section's activities, you will be able to identify the differences between cost centers, profit centers, and investment centers, determine what are traceable fixed costs, identify ways to establish transfer prices, and identify how return on investment, residual value, and economic value added differ.

Resources

Managerial Accounting

Read chapter 12 in *Managerial Accounting*. The goal in reading this chapter is to ascertain the fixed cost types, residual income and return on investment, and transfer pricing.

Website Activities



URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/chapter12/

Use the above link to do the following activities:

- Review the content you have read by reviewing the narrated slides.
- Click on the link to view the "Transfer Pricing" video.
- Use the flash cards to review the key terminology in the chapter
- Attempt the practice exam problem; then check the solution at the end of the exam.

Message Board Interactions

While on the message board, check the posts of others. Provide some reaction to your peers. Consider the following questions: Did they do an exceptional job in pointing out some factor you missed? Did they post a comment that you feel is incorrect?

This is the area for your collaboration with others preparing for the ADC2 assessment. Post your responses to others.

Managerial Accounting Toolbox

Review what you have learned in the unit activities so far. In your managerial accounting toolbox, write a summary of what you have learned. Have you discovered a new tool to go into your toolbox?

Videos

URL:

http://highered.mcgraw-hill.com/sites/0073379611/student_view0/video_library.html

Use the link above and view the "Transfer Pricing" and "Segment Reporting and Decentralization" videos.

Message Board

While on the message board, check the posts of others. Provide some reaction to your peers. Consider the following questions:

- Did they do an exceptional job in pointing out some factor you missed?
- Did they post a comment that you feel is incorrect?

This is the area for your collaboration with others preparing for the ADC2 assessment. Post your responses to others.

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/0073379611/student_view0/chapter12/

Take the multiple choice quiz for the chapter-available on the *Managerial Accounting* website-to do a final check on your understanding of the content.

Finance (Part 1)



This section will help you prepare for the finance section of the ADC2 assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

In this section some key questions to review include the following:

- Where can a firm get the long-term financing to pay for its investments?
- What mixture of debt and equity should be used to fund operations?
- How should a firm manage its everyday financial activities?

Businesses receive capital from both debt and equity. Management will consider these options and determine the best way to fund the business based on the cost of the capital.

Topics

Basics of Business Finance

This section covers two methods used to obtain capital: bonds as debt equity and stock as invested capital. Valuation methods for each are covered.

After completing this topic's activities, you will be able to recognize the differences between debt and equity and determine when to use short-term versus long-term financing.

Resources

Online Quiz: Chapter 8

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter8/

Read chapter 8 ("Stock Valuation") in *Fundamentals of Corporate Finance*. Access this textbook's website using the above link, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. How does the phrase "under consideration" affect the value of the stock?

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions

Online Quiz: Chapter 7

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter7/

Read chapter 7 ("Interest Rates and Bond Valuation") in *Fundamentals of Corporate Finance*. Access this textbook's website using the above link, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. Does the market rate of interest and the bond interest rate have to match?



Finance (Part 2)

This section will help you prepare for the finance section of the ADC2 assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

In this section some key questions to review include the following:

- What do the results of net present value calculations mean?
- How do the results from all of the capital budgeting techniques compare?

Corporate finance has three main areas of concern: capital budgeting (what long-term investments should the firm take?), capital structure (Where will the firm get the long-term financing to pay for its investments?), and the risk and return of the capital used. In other words, what mixture of debt and equity should we use to fund our operations? How should the firm manage its everyday financial activities?

Topics

Financial Statements and Long-Term Financial Planning

Your study of financial statements and project analysis includes resources from your textbook, online websites, and SkillSoft. Be sure to utilize each of these resources, as they provide a broad range of viewpoints on the topics you will need to master in order to pass the ADC2 objective assessment.

After completing this topic's activities, you will be able to determine the future value of a single sum and an annuity, determine the present value of a single sum and an annuity, and identify the difference between an ordinary annuity and an annuity due.

Resources

Online Quiz: Chapter 9

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter9/

Read chapter 9 ("Net Present Value and Other Investment Criteria") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand how to use time value of money principles, such as net

- present value and capital
- budgeting techniques.

Online Quiz: Chapter 11

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter11/

Read chapter 11 ("Project Analysis and Evaluation") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand how the use of leverage impacts a



company's financial well-being.

SkillSoft: Budgeting and Finance

URL: <http://wgu.skillport.com>

Review the following [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- FIN0162: The Ins and Outs of Capital Budgeting
- FIN0211: Introduction to Advanced Finance

SkillSoft: Cost Accounting and Project Leadership

URL: <http://wgu.skillport.com>

Review the following [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- FIN0244: Cost Accounting Decisions
- en_US_41526_ng Advanced Project Leadership - Bringing Home the Value

Finance (Part 3)

This section will help you prepare for the finance section of the ADC2 assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

In this section some key questions to review include the following:

- Where will the firm get the long-term financing to pay for its investments?
- What mixture of debt and equity should be used to fund operations?
- How should the firm manage its everyday financial activities?

Corporate finance has three main areas of concern: capital budgeting (What long-term investments should the firm take?), capital structure, (Where will the firm get the long-term financing to pay for its investments?), and the risk and return of the capital used. In other words, what mixture of debt and equity should we use to fund our operations? How should the firm manage its everyday financial activities?

Topics

Capital Markets

This section covers two methods used to obtain capital: bonds as debt equity and stock as invested capital. Valuation methods for each are covered.

After completing this topic's activities, you will be able to recognize the differences between debt and equity and determine when to use short-term versus long-term financing.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter12/



Read chapter 12 ("Some Lessons from Capital Market History") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should be clear about using time value of money principles, such as capital market efficiency and average returns.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0213: Raising Capital and Financing Decisions

Risk and Return

This topic explains the relationship of the return expected for assuming a level of risk.

After completing this topic's activities, you will be able to recognize the differences between debt and equity and determine when to use short-term versus long-term financing.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter13/

Read chapter 13 ("Return, Risk, and the Security Market Line") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand how risk is measured and if the risk is systematic or unsystematic.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review the following [SkillSoft](#) lessons with relevant accompanying Job Aids and SkillBriefs:

- fin_01_a01_bs_enus: The Principles of Financial Management
- FIN0216: Financial Risk Management

Finance (Part 4)

This section will help you prepare for the finance section of the ADC2 assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

In this section some key questions to review include the following:

- What are some of the options and other hedging techniques to control risk?
- What are some of the impacts leveraging on a firm's financial results?



- How should a firm manage its everyday financial activities?

Corporate finance has three main areas of concern: capital budgeting (What long-term investments should the firm take?), capital structure (Where will the firm get the long-term financing to pay for its investments?), and the risk and return of the capital used. In other words, what mixture of debt and equity should we use to fund our operations? How should the firm manage its everyday financial activities? (Ross S. W., 2007)

Topics

Use of Options

This section covers how options are used and how the returns are impacted by the level of risk assumed.

After completing this topic's activities, you will be able to evaluate the use of options and value a call option.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter14/

Read chapter 14 ("Options and Corporate Finance") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand the use of options in financial decisions.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0217: International Finance

Financial Leverage and Capital Structure

This topic explains financial leverage. Debt is an acceptable way to obtain capital, but it is important to manage this capital source since it has a mandatory cost (i.e., interest), unlike stock, which requires board of directors approval before a dividend is paid.

After completing this topic's activities, you will be able to evaluate the effect of financial leverage.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter17/

Read chapter 17 ("Financial Leverage and Capital Structure") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.



Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand the difference between operating leverage and financial leverage.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0256 Ratio Analysis for Financial Statements

Finance (Part 5)

This section will help you prepare for the finance section of the ADC2 assessment, which includes 35 total questions. You will be reading the required textbook and reviewing the basics of finance used in businesses.

In this section some key questions to review include the following:

- When should a dividend be paid?
- What factors are considered when a dividend policy is established?

Corporate finance has three main areas of concern: capital budgeting (What long-term investments should the firm take?), capital structure (Where will the firm get the long-term financing to pay for its investments?), and the risk and return of the capital used. In other words, what mixture of debt and equity should we use to fund our operations? How should the firm manage its everyday financial activities?

Topics

Dividends and Dividend Policy

This section covers the explanations on what a business should consider when establishing a dividend policy and alternative credit policy analysis techniques.

After completing this topic's activities, you will be able to evaluate when a dividend should be paid and determine the appropriate dividend policy for a company.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter18/

Read chapter 18 ("Dividends and Dividend Policy") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand establishing a dividend policy.

SkillSoft Exercise

URL: <http://wgu.skillport.com>



Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0222: Accounting for Corporations

Credit Policy Analysis

This section covers the explanations on what businesses should consider when using alternative credit policy analysis techniques.

After completing this topic's activities, you will be able to evaluate when a dividend should be paid, determine the appropriate dividend policy for a company, and evaluate the use of hedging and its potential benefits.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter21/

Read chapter 21A ("Credit Policy Analysis") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand the alternative approaches to credit policy analysis.

SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0214: Managing Working Capital

Risk Management

This section covers hedging of forward contracts, futures contracts, and other derivatives.

After completing this topic's activities, you will be able to evaluate the use of hedging and its potential benefits.

Resources

Online Quiz

URL: http://highered.mcgraw-hill.com/sites/007353062x/student_view0/chapter23/

Read chapter 23 ("Risk Management: An Introduction to Financial Engineering") in *Fundamentals of Corporate Finance*. Access this textbook's website, review the chapter summaries, and take the online quiz.

Take notes on the quiz questions you get wrong, and look up the correct responses in your textbook. After reading this chapter, you should understand the use of derivative instruments in financial management.



SkillSoft Exercise

URL: <http://wgu.skillport.com>

Review this [SkillSoft](#) lesson with relevant accompanying Job Aids and SkillBriefs:

- FIN0216: Financial Risk Management

Conclusion

Congratulations! You have completed your studies of financial accounting, managerial accounting, and finance.

What are the major points you should take away from this course of study? You should be able to define working capital and asset management, describe what the characteristics are for preferred and common stock, interpret a financial statement to discover the health of a company, explain how to value annuities, describe what long-term financial planning includes, define the components of a capital budget, describe why an organization would use weighted average costs and when, list the advantages and disadvantages of mergers and acquisitions, assess the value to a business of financial statements, describe the process and role of budget planning, describe the use of cost-volume profit-analysis in business, describe what activity-based costing is used for, and describe the use of capital budgets.

Topics

Transfer and Application

Accounting is often called the language of business. Regardless of the business field, a student with accounting knowledge has the key to understanding financial success or the lack of it. Your accounting knowledge provides a solid basis for concept review of any necessary analysis in future business situations.

Finance applications can also be reviewed in the future as decisions need to be made. The ratios and techniques are important for future research and use as the need for business decisions arise.

So, what are your next steps? Follow the steps below to take the preassessment.

Resources

Review

Use the coaching report from the preassessment to plan your review strategy. The competencies on the coaching report are aligned with the course of study, making it easy to review each competency's study topics. Repeat the activities and review your notes in your journal to refresh your memory. Once you feel comfortable with the material, schedule the objective assessment.

ADC2 Assessment

You are now ready to take the assessment. To schedule the objective assessment, follow these steps:

1. Log in to your MyWGU Student Portal.
2. Go to the "My AAP" tab.
3. In the list below "Course Details," find the assessment you are working on.



4. In the "Assessment Scheduled Date" column, click "Schedule Now."
5. In the window that pops up, click "Search."
6. A new window will come up. In this window, you can either select a previously-used site or search for a different site approved by WGU. Select the site(s) by clicking on the box beside the name. This will move your selection(s) to the "Selected Sites" box.
7. Once you have selected at least one site, click "Update."
8. You will be returned to the previous window, and the site information will now be filled in. Click "Continue."
9. Enter three different potential dates with the times you can take the assessment. *Note: The dates must be at least two weeks from the day you request the assessment.*
10. Click "Continue" once your potential dates and times are filled in.
11. If there are other considerations you would like to inform the Assessment Delivery Team about, discuss them in the "Other Considerations" box that appears and then click "Continue." If not, simply click "Continue."
12. A request will be sent to your mentor for approval.
13. Once your mentor has approved your request, our Assessment Delivery Team will begin scheduling your assessment at the proctor site that you submitted. Once your assessment has been scheduled, you will receive a confirmation e-mail with the date, time, and proctor site. The status on your AAP will then change to "Scheduled."

Note: Keep a keen eye on the required completion date when scheduling your objective assessment. Objective assessments take 14 days to schedule.

Pre-Assessment

Now is the time to schedule the pre-assessment. The pre-assessment takes about an hour. Try to simulate the testing conditions you will experience when taking the objective assessment. Resist the urge to use notes, textbooks, or other learning resources while taking the exam. Remember, the purpose of the pre-assessment is to determine if you are ready to take the objective assessment. The results from the pre-assessment are diagnostic in nature, meaning that they will help you see what it is that you do not know and guide you to those competencies that require additional study.

A coaching report with the results of your pre-assessment will be sent to you by your mentor. The coaching report tracks with the course of study, making it easy to find the competencies, topics, and activities that you need to study. The pre-assessment can only be taken a limited number of times (contact your mentor for additional information in the number of times the pre-assessment can be taken), so it is important to use each attempt wisely. One successful strategy used by many students when taking the pre-assessment is to avoid guessing by only answering the questions they know. This practice makes the coaching report more valuable in mastering competencies for the objective assessment.

To request the pre-assessment, follow these steps:

1. Log in to your MyWGU Student Portal.
2. Go to the "My AAP" tab.
3. In the list below "Course Details," find the assessment you are working on.
4. In the "Assessment Preparation" column, click "Pre-assessment."
5. In the window that pops up, click "Click here to refer for this pre-assessment." A request will be sent to your mentor for approval.
6. Once your mentor has approved your request, return to the "My AAP" tab and click "Pre-assessment" in the "Assessment Preparation" column.
7. In the window that pops up, click "Click here to take this pre-assessment." You will then begin the pre-assessment.



Feedback

To provide feedback on this or any other course of study, please use the [Course of Study Feedback form](#).

ADA Requirements

Please review the [University ADA policy](#).