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# Accounting Essentials

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## Course Content

In this course, students will learn about accounting fundamentals. It is intended for non-financial individuals who want to gain basic knowledge of accounting fundamentals.

Upon successful completion of this course, students will understand cash and accrual accounting, basic recordkeeping, ledger and journal entries and financial statement preparation.

### Lessons include the following:

- Getting the 'Right' Numbers
  - Qualitative vs. Quantitative Decision-Making
  - Standards
  - Effective and Efficient Decisions
  - Constraints
- Review of the Financial Statements
  - The Balance Sheet and Income Statement
  - Statements of Cash Flow
  - What the Financial Statements Do Not Tell You
- Making Money
  - Maximizing Profit or Minimizing Cost
  - Thinking in Units
  - Defining Cost
- Identifying Costs and Their Behaviors
  - Fixed, Variable, and Mixed Costs
  - Relevant Range
  - Cost Per Unit
  - Cost Categories on the Income Statement
  - Discerning Variable Costs
  - Discerning Mixed Costs
- Controlling Costs
  - Contribution Margin on the Income Statement
  - Activity-Based Costing
  - Non-Value-Added Activity
- Am I Breaking Even?
  - The Cost-Volume-Profit Graph
  - The Contribution Margin Approach to Break-Even
  - Calculating 'What If' Profit
  - Margin of Safety
- Operating Leverage
  - Defining Operating Leverage
  - Operating Leverage and the Bottom Line
- Influences on Pricing
  - Pricing in Line with the Competition
  - Trade-Offs Between Price and Demand
  - Elasticity of Demand Illustrated
  - Market and Cost Influences on Pricing
  - Qualitative Factors in Relation to Price
- Making the Numbers Work for You
  - Responsible Decision-Making
  - Quality Management