

Intuit Certified Bookkeeping Professional

1. Accounting Basics

1.1 Define accounting and the concepts underlying accounting measurement

- 1.1.1 Explain the ethical responsibilities of bookkeepers
- 1.1.2 Explain the accounting equation
- 1.1.3 Describe the purpose and content of balance sheets, statements of equity, income statements, and statements of cash flows

1.2 Summarize the double-entry accounting method

- 1.2.1 Define double-entry accounting terms
- 1.2.2 Explain how double-entry accounting works in accounting software
- 1.2.3 Demonstrate an understanding of T-accounts
- 1.2.4 Read and interpret the transaction journal and general ledger in accounting software

1.3 Describe the fundamental concepts of the accounting cycle

- 1.3.1 Demonstrate an understanding of the accounting cycle
- 1.3.2 Summarize the adjusting process
- 1.3.3 Describe the entries related to the adjusting process
- 1.3.4 Explain the impact of posting adjusting journal entries on net income, the balance sheet, and equity

1.4 Summarize accounting principles

- 1.4.1 Explain the key assumptions of financial accounting, reporting, and measurement-triggering transaction events
- 1.4.2 Determine whether to record transactions as revenue or expense
- 1.4.3 Compare and contrast accrual accounting and cash-basis accounting

2. Accounting for Assets and Sales Transactions

2.1 Summarize assets and sales transactions

- 2.1.1 Define assets and identify natural account balance
- 2.1.2 Differentiate between current and long-term assets
- 2.1.3 Identify the financial statements on which assets appear
- 2.1.4 Explain accounting for sales, accounts receivable, and cash receipts
- 2.1.5 Identify other notes receivable and uncollectible accounts

2.2 Describe the importance of merchandise inventory

- 2.2.1 Identify and define merchandise inventory
- 2.2.2 Apply inventory valuation methods
- 2.2.3 Describe when and how to adjust inventory balance

2.3 Define depreciation concepts and terminology

- 2.3.1 Describe principles relating to service life and depreciation
- 2.3.2 Identify how depreciation expense is reported on income statements

- 2.4 Describe the effect of asset and sales transactions on the accounting equation
 - 2.4.1 Describe the effect of sales transactions on the accounting equation
 - 2.4.2 Describe the effect of merchandise inventory on the accounting equation
 - 2.4.3 Describe the effect of common property and equipment entries on the accounting equation
 - 2.4.4 Describe the effect of other asset transactions on the accounting equation

3. Accounting for Liabilities, Equity, and Purchase Transactions

- 3.1 Summarize liabilities and purchase transactions
 - 3.1.1 Define liabilities and identify natural account balance
 - 3.1.2 Differentiate between current and long-term liabilities
 - 3.1.3 Identify the financial statements on which liabilities appear
 - 3.1.4 Explain accounting for purchases, accounts payable, and cash payments
 - 3.1.5 Identify other liabilities
- 3.2 Describe basic payroll transactions
 - 3.2.1 Define basic payroll accounting terms
 - 3.2.2 Explain accounting for payroll
 - 3.2.3 Explain payroll tax forms
- 3.3 Compare and contrast different types of equity
 - 3.3.1 Identify types of equity accounts
 - 3.3.2 Explain the connection between equity and income statements
- 3.4 Describe the effect of liability, equity, and purchase transactions on the accounting equation
 - 3.4.1 Describe the effect of purchase transactions on the accounting equation
 - 3.4.2 Describe the effect of payroll transactions on the accounting equation
 - 3.4.3 Describe the effect of equity transactions on the accounting equation
 - 3.4.4 Describe the effect of other liability transactions on the accounting equation

4. Reconciliation and Financial Statements

- 4.1 Describe the purpose and process of account reconciliations
 - 4.1.1 Define reconciliation concepts
 - 4.1.2 Identify accounts that are typically reconciled
 - 4.1.3 Identify reconciliation source documentation types
- 4.2 Describe the process of bank reconciliations
 - 4.2.1 Prepare for a bank reconciliation
 - 4.2.2 Reconcile bank accounts
 - 4.2.3 Explain bank reconciling items
- 4.3 Describe basic financial statement analytical methods
 - 4.3.1 Read and comprehend balance sheets
 - 4.3.2 Read and comprehend comparative income statements
 - 4.3.3 Read and comprehend budget vs. actual reports
 - 4.3.4 Analyze cost of goods sold and comparative revenue
 - 4.3.5 Compare month-over-month income statements to identify potential issues