

# Classification and Accounting for Debt and Equity

## Course Description

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This course is comprised of 6 videos. It begins by discussing the concept of classification and its important role on the financial statements, and then moves into coverage of the company's two primary forms of financing: debt and equity. The financial statements and the footnotes of the companies featured in this course include General Motors, Volkswagen (an IFRS user), Amazon, Home Depot and Panera.

**Completion Deadline & Exam:** This course, including the examination, must be completed within one year of the date of purchase

**Course Level:** Overview

**CPE Credits:** 4 (CPA)

**Category:** Accounting

**Prerequisite:** None

**Advanced Preparation:** None

## Course Learning Objectives

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After studying this course, you will be able to:

1. Identify the key measurement issues addressed by the financial statements and how the current classification is used.
2. Recognize the concept of a contingent liability and how contingencies are accounted for.
3. Recognize what a bond is and how bond issuances are accounted for using the effective interest method.
4. Recognize how the effective interest method is used to account for bond investments and how management's intention determines how changes in bond market values are accounted for.
5. Identify the difference between short-term and long-term (financing and operating) leases and how both kinds of leases are reflected on the financial statements of the lessee.
6. Recognize the shareholders' equity section of the balance sheet and describe the transactions leading to each line item within that section.