

Management and Strategy Institute, LLC.

Accounting Fundamentals Certified (AFC)

Course of Study

Introduction

Understanding accounting fundamentals is an important part of running a successful business. Knowing how to track and manage your money helps ensure your business is profitable and able to pay its bills. A successful bookkeeper must be familiar with key financial statements such as the income statement, balance sheet, and cash flow statement. A successful business owner or bookkeeper needs to understand the difference between assets and liabilities to have an accurate picture of the health of a business. This accounting certification program will help you define accounting terms like balance sheet, equity, income statement, revenue, expenses, and much more.

There are laws and regulations throughout the US and internationally that govern how you track your company finances. Following generally accepted accounting principles (GAAP) helps ensure you remain compliant with these laws and pay the appropriate taxes at the correct times. Businesses need to create a budget and stay within their means to remain profitable. The accounting certification program will discuss how to create a budget for your business and stay within the confines of that budget.

The AFC exam is a timed, online exam. It consists of approximately 25 questions and has a required passing score of 70%.

Competencies

This course of study covers the following competencies:

Accounting Terms

- Start with some basic terminology.
 - Learning Outcome: Understanding and define balance sheet, assets, liabilities, equity, income statement, revenue, cost of goods sold, expenses, accounting period, accounts receivable, accounts payable, depreciation, general ledger, interest, inventory, journals, payroll, trial balance.

Accounting Methods

- Learn cash and accrual methods.
 - Learning Outcome: Understand cash and accrual methods of accounting. Difference between cash and accrual.

Keeping track of a business

- Knowing how to keep track of your business will prove to be very valuable in the short run and long run.
 - Learning Outcome: Understand accounts payable and accounts receivable. The journal is a way to keep track of all inputted information or data with regard to a business to allow for the books to be properly balanced. Understand the general ledger and cash management.

Understanding the Balance Sheet

- The balance sheet will help provide balance to your business. It helps keep everything organized and on point.
 - Learning Outcome: Understand the accounting equation, double- entry accounting, types of assets, types of liabilities and equity.

Other Financial Statements

- These terms all involve money or the use of money in some form.
 - Learning Outcome: Understand the income statement, cash flow statement, capital statement, and budget versus actual.

Payroll Accounting / Terminology

- In this section we will be discussing many terms which involve dealing with the financial aspects of your business.
 - Learning Outcome: Understand gross wages, net wages, employee tax withholdings, employer tax expenses, salary deferrals, employee payroll, employee benefits, tracking accrued leave, and government payroll returns and reports.

End of Period Procedures

- End of period procedures for book keeping.
 - Learning Outcome: In this section, we will be providing you with some basic knowledge with regard to depreciating your assets, reconciling cash, reconciling investments, working with the trial balance, bad debt, as well as posting adjustments and corrections.

Financial Planning, Budgeting and Control

- Exploring reasons for budgeting, creating a budget, and comparing budgets to actual expenses.
 - Learning Outcome: Understand reasons for budgeting, creating a budget, and comparing budgets to actual expenses.

Auditing

- In this section we will be discussing what an audit is, when and why you audit, as well as internal and external audits.
 - Learning Outcome: Understand basics of internal and external audits.

Learning Resources

Recommended:

Material included with your purchase is recommended reading.

- Free online training material provided by MSI. The material includes everything you will need to learn to pass the exam. This material is included for free with the purchase of your exam. It is in digital form, and available immediately after payment.

Optional:

This material is not required, however it will assist you in becoming certified.

- Josh Bauerle CPA (2018), Accounting QuickStart Guide: The Simplified Beginner's Guide, ISBN-13 : 978-1945051791
- Robert McCarthy (2020), Bookkeeping: An Essential Guide to Bookkeeping for Beginners, ISBN-13 : 979-8671203769

Preparing for Success

In order to successfully complete the AFC exam, you will need to make sure you have the appropriate resources to support your learning.

- A quiet location, free from distraction.
- Internet access.
- Current (newest) version of Internet Explorer, Firefox, or Chrome browser.
- Take study notes while going through the training.
- When you are ready to take the exam, you should allot 1-hour of time.

Frequently Asked Questions

What happens if I fail the exam?

- You are given two additional attempts to pass the exam at no additional cost.