

Learning Objectives

- Identify the criteria for a liability.
- Recognize what differentiates a current liability from a long-term liability.
- Identify the nature and recording of current liabilities.
- Recognize the disclosure criteria for contingent liabilities.
- Recognize the recording criteria for payroll and payroll related taxes.
- Identify the nature and recording of long-term liabilities.

Topics Covered

Part 1

- Liability Classifications
- Payroll Deductions
- Accounting Systems for Payroll and Payroll Taxes
- Employees' Fringe Benefits
- Estimated Liabilities
- Contingent Liabilities
- Times Interest Earned Ratio
- Financial Analysis and Interpretation: Quick Ratio

Part 2

- Long-Term Liabilities
- Bond Financing
- Long-Term Notes Payable
- Debt Features and the Debt-to-Equity Ratio
- Reporting Long-Term Liabilities