

BUS 230A – Intermediate Financial Accounting I

3 credits, 16 weeks, 5 hours lecture

Accounting theory and practice are covered at an intermediate level. The income statement and balance sheet are studied in depth. Other topics will include such items as cash flow, receivables, inventories, capital assets, investments, and current liabilities. The emphasis in the course will be on practical conditions, using a problem solving approach to accounting situations.

Prerequisites: BUS 110 and BUS 131

Instructor

George Murphy
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Office Hours

Wednesdays – 11:00 a.m. - 1:00 p.m.

Hours of Instruction and Location

Wednesday, 1:00 - 3:50 p.m., Room 224
Friday, 1:00 - 2:50 p.m., Room S212

Required Resources:

Intermediate Accounting, Fifth Edition; Volume I and II; Beechy, Conrod, Farrell

One basic calculator – programmable calculators, of any kind, will not be allowed for the exam

Course Outcomes:

Upon successful completion of this course, you will be able to:

1. Examine the conceptual framework underlying financial reporting.

The following concepts, skills, and issues are used to support this Outcome:

- Explain the conceptual framework of accounting.
- Describe the objectives of financial statement reporting including the qualitative characteristics of accounting information.
- Assess the impact of constraints on reporting accounting information.
- Classify the basic elements of financial statements.
- Apply the basic assumptions and principles of accounting.

2. Prepare financial statements.

The following concepts, skills, and issues are used to support this Outcome:

- Appraise the uses and limitations of an income statement and a balance sheet.
- Prepare income statements, retained earnings statements, statement of changes in equity and balance sheets in accordance with Generally Accepted Accounting Principles and IFRS.
- Discuss financial statement disclosure requirements.

3. Differentiate between revenue recognition methods

The following concepts, skills, and issues are used to support this Outcome:

- Examine if and when items should be included in an earning process.
- Differentiate and apply the two methods of revenue recognition for long-term contracts.

4. Assess the accounting for current assets

The following concepts, skills, and issues are used to support this Outcome:

- Explain common techniques employed to control cash and prepare a bank reconciliation.
- Describe the accounting for temporary investments in debt and equity securities and the basis for their valuation on the balance sheet.
- Distinguish between and apply methods of accounting for Accounts Receivable and Allowance for Doubtful Accounts.
- Perform inventory accounting using appropriate inventory valuation methods.
- Evaluate the effects of inventory errors on financial statements.

5. Assess the accounting for long-term assets

The following concepts, skills, and issues are used to support this Outcome:

- Explain the effect of ownership interest on the accounting for investments.
- Apply the appropriate Fair Value or Equity methods of accounting for investments.
- Perform accounting for property, plant and equipment and natural resources including depreciation and depletion.
- Evaluate various approaches to valuing goodwill.

Evaluation

Attendance	10%
Assignments	20%
Midterm Exam	25%
Final Exam	<u>35%</u>
Total	<u>100%</u>

A grade of C- is required for progression.

The minimum standard for passing this course is a grade of D (50%).

This course is a prerequisite for BUS 330.

Failure to achieve a weighted average of 50% on the exams will result in a failing grade (F).

This course is an equivalent for a course required for completion of the CGA program. A grade of C+ or more is required for this purpose.

This course is an equivalent for a course required to qualify for the CMA entrance exam. A grade of D or higher in this course and a GPA of 2.7 in all CMA prerequisites is required for this purpose.

Grading System

Descriptor	Alpha Grade	4.0 Scale	Percent
Excellent	A+	4.0	> 93.9
	A	4.0	87 – 93.9
	A-	3.7	80 – 86.9
Good	B+	3.3	77 – 79.9
	B	3.0	74 – 76.9
	B-	2.7	70 – 73.9
Satisfactory	C+	2.3	67 – 69.9
	C	2.0	64 – 66.9
	Progression C-	1.7	60 – 63.9
Poor	D+	1.3	57 – 59.9
Min Pass	D	1.0	50 – 56.9
Failure	F	0.0	< 50

Performance Requirements

1. Cellular Phones

Cellular phones are a distraction to both your fellow students and the class instructor. All cellular phones are to be turned off, or at minimum set on silent mode, prior to the beginning of class. If a student is observed using a cellular phone at any time during class, i.e. sending or reading text messages, or if it rings, they will be asked to leave the classroom for the remainder of the class.

2. Student Attendance

Class attendance is useful for two reasons. First, class attendance maximizes a students' learning experience. Second, attending class is a good way to keep informed of matters relating the administration of the course (e.g., the timing of assignments and exams). Ultimately, you are responsible for your own learning and performance in this course. Please refer to page 32 of the Credit Calendar.

It is the responsibility of each student to be prepared for all classes. Students who miss classes are responsible for the material covered in those classes and for ensuring that they are prepared for the next class, including the completion of any assignments and / or notes that may be due.

3. Academic Misconduct (page 32 of the Credit Calendar)

Students are considered to be responsible adults and should adhere to principles of intellectual integrity. Intellectual dishonesty may take many forms, such as:

- Plagiarism or the submission of another person's work as one's own
- The use of unauthorized aids in assignments or examinations (cheating)
- Collusion or the unauthorized collaboration with others in preparing work
- The deliberate misrepresentation of qualifications
- The willful distortion of results or data
- Substitution in an examination by another person

Penalties for academic offences may range from a verbal reprimand to dismissal from the College, and in certain circumstances may involve legal action.

4. Accommodation for Students with Disabilities

The College will provide reasonable accommodation to students with disabilities in order to promote academic success. If you require accommodation, contact the Learner Assistance Program Office at 792-5608 to initiate the process for documenting, assessing and implementing your individual accommodation needs. In addition, tutoring services are available at the SKILL Centre (Room 119)

Teaching and Learning Methodologies

This class will be taught by lecture supplemented with tutorials. Assignments will be completed using MS Word, MS Excel, or other similar software and hardcopies will be submitted.

Please Note:

This course outline may be modified to facilitate unforeseen time constraints. Date and time allotted to each topic is subject to change.

Class schedule and suggested problems:

Class #	Date	Topic	Required Reading	Suggested Problems
1	Sept 3	Course Introduction		
3	Sept 10	The Framework for Financial Reporting	Chapter 1	A1-1, A1-2, A1-5, A1-7, A1-9, A1-12, A1-17
5	Sept 17	Accounting Judgements	Chapter 2	A2-2, A2-6, A2-7, A2-12, A2-13, A2-17, A2-22, A-23
7	Sept 24	Income Statement / Statement of Comprehensive Income	Chapter 3	A3-1, A3-3, A3-6, A3-13, A3-16, A3-24
9	Oct 1	Balance Sheet / Statement of Financial Position	Chapter 4	A4-7, A4-8, A4-12, A4-21, A4-22, A4-24, A4-29
11	Oct 8	Revenue Recognition	Chapter 6	A6-1, A6-2, A6-4, A6-9, A6-11, A6-12
13	Oct 15	Revenue and Expense Recognition	Chapter 6	A6-17, A6-21, A6-25, A6-29
15	Oct 22	Cash, Accounts Receivable, Accounts Payable	Chapter 7	A7-1, A7-2, A7-10, A7-14, A7-17, A7-19, A7-26, A7-29
17	Oct 29	Midterm (Chapters 1 – 6)		
19	Nov 5	Inventory	Chapter 8	A8-1, A8-4, A8-6, A8-11, A8-15, A8-24
21	Nov 12	Property Plant and Equipment, Intangibles, Goodwill	Chapter 9	A9-1, A9-2, A9-3, A9-7, A9-9, A9-13, A9-16, A9-23, A9-25, A9-28
23	Nov 19	Depreciation, Amortization and Impairment	Chapter 10	A10-1, A10-2, A10-3, A10-5, A10-17, A10-20, A10-25, A10-30
25	Nov 26	Financial Instruments: investments in debt and equity securities	Chapter 11	A11-1, A11-2, A11-7, A11-11, A11-15, A11-20
27	Dec 3	Review		

Authorization

This course outline has been reviewed and approved by the Program Chair.

George Murphy , Instructor

Gina Langager, Chair

Date Authorized

Guy Harmer, Dean

Date Authorized

Signed copies to be delivered to:

Instructor
Registrar's Office