



A POLYTECHNIC INSTITUTION

School of Business

Program: Business Administration Post-Diploma

Option:

FMGT 1110

Financial Management 1

Start Date:	September 2005	End Date:	December 2005
Total Hours:	60	Total Weeks:	15
Hours/Week:	4	Lecture:	2
		Lab:	2

Prerequisites

Course No.	Course Name
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is a Prerequisite for:

Course No.	Course Name
FMGT 2110	Financial Management 2

Course Description

Covers basic accounting procedures including; analyzing business transactions; adjustments and closing the books; merchandise operations; financial statements; ledger organization and special journals; forms of business organization; accounting principles; accounting for cash, accounts receivable, inventory, capital stock and capital assets; analysis of financial data and financial statements.

Course Goals

In this course students will study the conventional accounting system, learn to understand accounting terminology, and gain an appreciation of the uses and limitations of financial statements.

Evaluation

A final course grade will be determined based on the following and their corresponding weighted percentages:

Participation and assignments	5.0%
Review quizzes (pre-midterm 1 @ 5%)	5.0%
Mid-term Examination (2 hours)	40.0%
Review quizzes (post-midterm 2 @ 5%)	10.0%
Final examination (2 hours)	40.0%
	<u>100.0%</u>

Course Learning Outcomes

Upon successful completion of the course, the student will be able to:

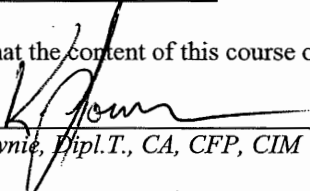
1. Analyze basic business transactions using the accounting equation; analyze and record transactions for merchandise purchases and sales using a perpetual system.
2. Identify steps in the accounting cycle and explain accrual accounting and how it adds to the usefulness of financial statements; and prepare basic adjusting entries.
3. Calculate the cost of an inventory using various methods and explain the financial statement effects of choosing one method over the others. Analyze the effect of inventory errors on current and future financial statements and compute the lower of cost or market value of inventory.
4. Explain the use of special journals and subsidiary ledgers in an accounting system.
5. Explain why internal control procedures are needed in a large organization and state the broad principles of internal control.

Course Learning Outcomes cont'd

6. Prepare journal entries to record petty cash fund transactions and prepare a basic bank reconciliation.
7. Estimate accounts receivable uncollectibles using methods based on sales and accounts receivable.
8. Prepare journal entries to account for temporary investments and explain how lower of cost or market is reported on such investments.
9. Calculate the cost and record the purchase of plant assets; calculate amortization by the straight-line, units-of-production and declining balance methods as well as account for the disposal or exchange of capital assets.
10. Explain the different forms of business organization and explain the advantages, disadvantages and organization of corporations.
11. Record the issuance of corporate shares and explain the characteristics of common and preferred shares and distribute dividends between common and preferred shares.
12. Prepare basic financial statements analysis including: horizontal, vertical, and common size financial statements as well as be able to compute standard financial ratios used for decision making.

Course Content Verification

I verify that the content of this course outline is current.



Keith Lownie, Dipl.T., CA, CFP, CIM

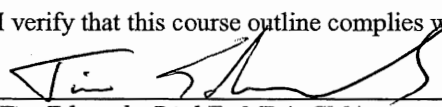
Instructor

June 30, 2005

Date

I verify that this course outline has been reviewed.

I verify that this course outline complies with BCIT policy.



Tim Edwards, Dipl.T., MBA, CMA

Associate Dean

June 30/05

Date

Instructor

Keith Lownie, Dipl.T., CA, CFP, CIM	Office: Room 371	Office Phone: 604-451-6759
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	Office	E-mail Address: Keith.Lownie@bcit.ca
	Hrs.: Posted	Website: http://keithlownie.pageout.net

Require Learning Resources

Texts: Weygandt, Kieso, Kimmel and Trenholm "Accounting Principles, Parts 1, 2 and 3" Third Canadian Edition

Text website: www.wiley.com/canada/veygandt (can be useful for additional exercises for practice)

Financial Calculator (Note: programmable calculators are not permitted on exams).

Study Notes and Lab Question Answers: Prepared by Keith Lownie (which you pick up yourself online and print out each week) from my website located at: <http://keithlownie.pageout.net>

Information for Students

This course outline may assist you in future to receive credit for all or part of a course from another post-secondary institution or from a professional program. It is strongly recommended that you keep this course outline in a safe place for future reference.

Ethics: BCIT assumes that all students attending the Institute follow a high standard of ethics. Incidents of cheating or plagiarism may, therefore, result in a grade of zero for the assignment, quiz, test, exam, or project for all parties involved and/or expulsion from the course.

Attendance: The attendance policy as outlined in the current BCIT Calendar will be enforced. Attendance will be taken at the beginning of each session. Students not present at that time will be recorded as absent.

Illness: A doctor's note is required for any illness causing you to miss assignments, quizzes or exams.

Attempts: Students must successfully complete a course within a maximum of three attempts at the course. Students with two attempts in a single course will be allowed to repeat the course only upon special written permission from the Associate Dean. Students who have not successfully completed a course within three attempts will not be eligible to graduate from the appropriate program.

Course Outline Changes: The material or schedule specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.

Photo Identification: To write exams, students are required to produce photo-identification at examination centres. Photo identification must be placed on the desk before an exam will be issued to the student and must remain in view on the desk while writing the exam for inspection by invigilators. Students should bring a BCIT OneCard or alternatively two pieces of identification, one of which must be government photo I.D. such as a drivers license.

Cheating, Plagiarism and Dishonesty: Acts of cheating, plagiarism and dishonesty are not tolerated; the degree of punitive action may range from a written warning to withdrawal from the program. These penalties may also be applied to a student who knowingly contributes to the act of dishonesty, cheating and plagiarism. (Refer to the current BCIT Calendar.)

Examinations: Recently there has been a greater tendency for students to miss scheduled examinations. Students who miss examinations often request that they be allowed to write make-up examinations. This is often unfair to those who wrote the scheduled examination and time-consuming for the instructor who is asked to prepare alternative examinations.

In an effort to be consistent within Financial Management, the Department has adopted the following policy to deal with mid-term and final examinations:

It is imperative that students write examinations on either the scheduled day per the course outline or the date and time as determined by the Registrar during the formal examination periods. Please make a note of the following Departmental policy:

Subject to circumstances outlined below, a student who fails to write an examination on the scheduled date and time will receive a zero on that examination.

Other than in emergency situations, a student must provide his/her instructor with a reason acceptable to the instructor for missing an examination at least 24 hours prior to the scheduled time of the examination. Should such notice be given and should the reason be acceptable to the instructor, the student may, subject to the discretion of the instructor, be permitted to either write an alternative examination or have an agrotat mark established. It is the student's responsibility to contact the instructor by phone, fax, e-mail, etc.

It is impossible to list every acceptable reason. However, for greater certainty, reasons such as being unprepared or having too many other examinations in the same week will not be accepted. Written documentation, i.e., doctor's notes, will be required in all cases of missed examinations.

Instructors are asked to promptly notify the program head or the academic coordinator of any student who misses an examination together with any supporting documentation.

Details Concerning Assignments and Evaluation

Scope of student's responsibility

The examinable material in this course consists of the material covered in the lectures, labs and in the assigned readings (text, and study notes). Most of this material will be reviewed in the assigned exercises and problems that you are expected to do as homework and that we will take up in the labs. It is the student's responsibility for being prepared to review the assigned problems when we take them up in labs (i.e students are expected to have completed the assigned readings and exercises and demo problems before arriving at the labs that are scheduled to deal with that material)

In my opinion, it will be very difficult for you to learn the material in this course if you do not first do the exercises and problems on your own, and then come to lab ready to check your work for accuracy. Doing the work in advance is the only way for you to determine which parts of the material you do not understand, so that you can ask questions and get clarification. I cannot emphasize enough that doing the work in advance is the only way for you to learn from our working on the solutions together. If you come to lab only to copy out the correct solutions in the hope that that will help you prepare for the exams, you will inevitably not learn the material adequately.

Marking: When solving questions on exams, review tests or assignments students must demonstrate that they have correctly followed the steps required to achieve the solutions. Short cuts or just providing a final answer may jeopardize receiving all available marks. Therefore, where calculations are required, the mathematical process by which your answer was obtained must be shown. Marks may also be deducted for poor grammar, sloppiness and spelling mistakes.

Student Study Suggestions: You will always need your textbook at all lectures and labs. Students are expected to study the appropriate textbook chapters and the chapter's glossary before the lecture on the chapter. As an additional reference you should printout and review my FMGT 1110 study notes and any demonstration problems for that chapter as well. These will be made available each week online at <http://keithlownie.pageout.net>. After you read the text and my study notes it is also helpful to review each text chapter's Summary of Study Objective and Self-Study questions (answers to these Self Study questions are at the end of the chapter) to see if you have learned the material. First year accounting is like learning another language and it is a subject that is best learned through doing a sufficient number of questions. Answers to additional text questions will be available during the lab sessions each week. As a minimum reference, a successful FMGT 1110 student should complete all lab exercises and problems (per the outline) and all demonstration problems posted to my website.

Student Website: Students must print out study notes and lab question answers from my student website:
<http://keithlownie.pageout.net>

Note: You must regularly check my website for announcements that may concern the material to be covered each week.

Note: Should changes be required to the content of this course outline, students will be given reasonable notice.

FMGT 1110 Course Schedule

Lecture # / Week of	Topic	Text	Lab Questions from text (please prepare before labs)	Assignment, Quiz & Exam Dates
Week 1 Sept. 5	Introduction to accounting, financial statements (F/S), and accounting transactions	Chapter 1	<i>Ex.</i> 1-2, 1-3, 1-5, 1-8 <i>Prob.</i> 1-1A, 1-3A, 1-4A, 1-8A	
Week 2 Sep. 12	Analyzing and recording transactions	Chapter 2	<i>Ex.</i> 2-2, 2-3, 2-5, 2-8 <i>Prob.</i> 2-2A, 2-4A, 2-10A	
Week 3 Sep. 19	Adjusting accounts for F/S	Chapter 3	<i>Ex.</i> 3-1, 3-4, 3-6, 3-7, 3-8 <i>Prob.</i> 3-6A, 3-9A, 3-11A	
Week 4 Sep. 26	Completing the accounting cycle and classifying accounts <i>*Note: Wed., Sept. 28 - Shinerama</i>	Chapter 4	<i>Ex.</i> 4-2, 4-4, 4-6, 4-7 <i>Prob.</i> 4-2A, 4-3A	Assignment #1 Due
Week 5 Oct. 3	Accounting for merchandising activities	Chapter 5	<i>Ex.</i> 5-2, 5-3, 5-6, 5-9, 5-12, 5-13 <i>Prob.</i> 5-1A, 5-5A,	
Week 6 Oct. 10	Merchandise inventories and cost of sales	Chapter 6	<i>Ex.</i> 6-1, 6-2, 6-4, 6-7, 6-9 <i>Prob.</i> 6-1A, 6-9A, 6-11A, 6-12A	Quiz #1 (Chps 1,2,3,4)
Week 7 Oct. 17	Accounting systems and special journals/ledgers Review for midterm exam	Appendix C (Part 1 Text)	<i>Ex.</i> C-1	
Week 8 Oct. 24	Midterm Exam (Chps 1 – 6)			Midterm (2 hours)
Week 9 Oct. 31	Internal control and managing cash; Accounting for receivables	Chapter 7 Chapter 8	<i>Ex.</i> 7-3, 7-4, 7-5, 7-7, 7-8 <i>Prob.</i> 7-3A, 7-5A <i>Ex.</i> 8-2, 8-3, 8-4, 8-5, 8-6, 8-7, 8-10, 8-13 <i>Prob.</i> 8-2A, 8-3A, 8-4A	
Week 10 Nov. 7	Long-lived (capital) assets	Chp 9	<i>Ex.</i> 9-1, 9-2, 9-3, 9-4, 9-5, 9-8, 9-14 <i>Prob.</i> 9-1A, 9-3A	Quiz #2 (Chps 5,6,7,8)
Week 11 Nov. 14	Current liabilities	Chp 10	<i>Ex.</i> 10-1, 10-3, 10-4, 10-7, 10-8 <i>Prob.</i> 10-2A, 10-3A	
Week 12 Nov. 21	Share capital Temporary investments	Chp 13 Chp 16 (pgs 749 - 756)	<i>Ex.</i> 13-1, 13-2, 13-3, 13-4, 13-6 <i>Prob.</i> 13-1A, 13-2A, 13-7A <i>Ex.</i> 16-1, 16-2, 16-3, 16-9	
Week 13 Nov. 28	Financial statement analysis	Chp 18	<i>Ex.</i> 18-3, 18-4, 18-5, 18-6, 18-7 <i>Prob.</i> 18-1A, 18-3A, 18-6A	Quiz #3 (Chps 9, 10, 13, 16)
Week 14 Dec. 5	Review for final exam			
Week 15 Dec. 12	Final Exam (Chps 7, 8, 9, 10, 13, 16 and 18)			Final Exam (2 hours)