



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option:

**FMGT 2105**  
**Accounting 2**

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<b>Start Date:</b>	January 2005	<b>End Date:</b>	May 2005
<b>Total Hours:</b>	80	<b>Total Weeks:</b>	20
<b>Hours/Week:</b>	4	<b>Lecture:</b>	2
		<b>Lab:</b>	2
<b>Prerequisites</b>		<b>FMGT 2105 is a Prerequisite for:</b>	
<b>Course No.</b>	<b>Course Name</b>	<b>Course No.</b>	<b>Course Name</b>
FMGT 1105	Accounting		Most second year courses.

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### Course Description

This course is the second of two designed to provide first year Financial Management students with a good understanding of the theoretical and practical foundations of accounting. Topics include accounts receivable; capital assets; liabilities; partnerships; corporations; investments; statement of cash flow and financial statement analysis. **Full-time students need to achieve a mark of 65% to proceed into the 2<sup>nd</sup> year of the Financial Management Program. Students that do not achieve 65% will be required to reapply to the program and complete FMGT 2100 with a grade of 70% or better.**

### Detailed Course Description

Completion of this course with an acceptable grade gives the student transfer credit to the courses offered by the three professional accounting bodies in BC as well as other professional bodies such as those for financial planners and managers. Please keep this course outline in case you need to apply for credit from another institution in the future.

### Evaluation

Final Examination	45%	There will be five quizzes held either in the lecture or the lab. These quizzes will be announced one week in advance. <b>There will be no opportunity to make up missed quizzes.</b>
Midterm Exam	30%	
Weekly Assignments, Quizzes, Lyryx & Comprehensive problem	25%	
TOTAL	100%	

### **Course Learning Outcomes/Competencies**

1. Understand and apply generally accepted accounting principles.
2. Prepare entries to account for credit sales, including alternative methods of accounting for bad debts.
3. Prepare entries to record transactions involving notes receivable including the calculation of interest and the discounting of notes.
4. Calculate and record amortization on various types of property, plant and equipment using alternative generally accepted accounting practices.
5. Record the entries for the purchase, sale and trade-in of property, plant and equipment.
6. Prepare entries to record transactions involving notes payable including the calculation of interest and discount.
7. Record the entries required for the various transactions involving long-term liabilities (notes and bonds payable) including the calculation of present value.
8. Describe and differentiate the advantages and disadvantages of a corporation, a partnership and a sole proprietorship.
9. Record the entries required for the shareholders' equity of a corporation including the issuance of shares, the declaration/payment of dividends, stock dividends/splits and the related effect on Retained Earnings.
10. Recognize proper presentation in the shareholders' equity section of a balance sheet for extraordinary items, prior period adjustments and accounting changes.
11. Understand a basic payroll system and record the entries that result from payroll.
12. Prepare entries for investment transactions and complete a consolidated worksheet.
13. Prepare entries for a partnership including allocation of earnings, admission or retirement of a partner and liquidation of the partnership.
14. Prepare and interpret a statement of cash flows.
15. Analyze financial statements.
16. Complete a comprehensive problem.

## Verification

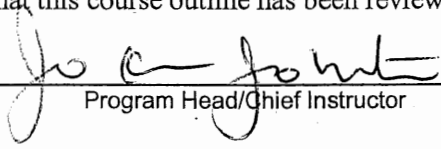
I verify that the content of this course outline is current.

\_\_\_\_\_  
Scott M. Sinclair, B.Comm., CA  
Authoring Instructor

\_\_\_\_\_  
December 10, 2005

\_\_\_\_\_  
Date

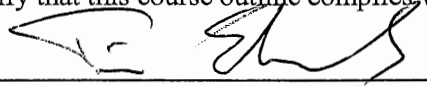
I verify that this course outline has been reviewed.

\_\_\_\_\_  
  
Program Head/Chief Instructor

\_\_\_\_\_  
Dec 12, 2004

\_\_\_\_\_  
Date

I verify that this course outline complies with BCIT policy.

\_\_\_\_\_  
  
Dean/Associate Dean

\_\_\_\_\_  
Dec 12, 2004

\_\_\_\_\_  
Date

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

### Instructor(s)

Jo-Ann Johnston	Office Location: SE6-335	Office Phone: 604-451- 6754	Jo-Ann_Johnston@bcit.ca
Scott Sinclair	SE6-318	604-432- 8599	Scott_Sinclair@bcit.ca
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### Learning Resources

#### Required:

- **Text:** Larson, Jensen, *Fundamental Accounting Principles*, Volumes 1 & 2, Canadian 11<sup>th</sup> Edition which includes the Student CD and Lyryx registration pin code.
- **Sharp financial calculator:** – EL 733
- **Supplies:** 3 or 4 Column paper, dark pencil, eraser, ruler — All available from the BCIT Book Store or TNT.

#### Recommended:

- Instructor Web Pages: <http://bcitfmgt.pageout.net> – **Solutions to all exercises in the text posted at this site.**
- Study Guide for the text

### Information for Students

**Assignments:** Late assignments, lab reports or projects will **not** be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.

**Makeup Tests, Exams or Quizzes:** There will be **no** makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for **documented** medical reasons or extenuating circumstances. In such a case, it is the responsibility of the student to inform the instructor **immediately**.

**Ethics:** BCIT assumes that all students attending the Institute will 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, tests, projects, or exam. At the discretion of the instructor, you may complete the work missed or have the work prorated.

**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 schedules specified in this course outline **are subject to change**. If changes are required, they will be announced in class.

### Information for Students (cont'd.)

**Note 1:** Students from other technologies wishing to transfer to the Financial Management Technology's program will require a 70% mark in:

FMGT 1100 — if transferring at the start of Term 2

FMGT 1100 and 2100 — if transferring at the start of Term 3

**Note 2:** Students need to obtain 65% in this course in order to receive credit for the same course in the professional accounting programs.

**Note 3:** Students need 65% in FMGT 2105 in order to continue in the financial management second year technology program.

**Note 4:** Conduct and Attendance:

Refer to pages 1 and 2 of the current BCIT calendar.

1. Conduct is outlined on page 1.
2. Attendance — Attendance requirements will be enforced as per the BCIT policy on page 2 of the calendar. Excessive absence will be deemed to be missing more than 2 labs or seminars for reasons within the student's control. Upon notification of excessive absence and failure to provide adequate explanation, the student will be *disqualified from writing the final examination*.

**Note 5:** Acts of cheating, plagiarism and dishonesty are not tolerated; the degree of punitive action may range from a written warning and zero on the assignment to withdrawal from the program. These penalties may also be applied to students who knowingly contribute to the act of dishonesty, cheating and plagiarism. (Refer to pages 1 and 2 of the current BCIT Calendar.)

## Assignment Details

### Prepare All assignments as follows:

1. Place your full name and set number in the upper right corner of each page.
2. Identify the problem numbers on the left side of the page.
3. Staple all pages together in the upper left hand corner in the order that problems were assigned on the course outline.
4. Write plainly and neatly. Submit assignments in HB pencil or computer printout. Pencil must be dark lead. In Scott's classes, assignments must be typed.
5. Columnar paper must be used in all assignments except those requiring "essay" answers, or computer spreadsheet.
6. Decimals and commas are not required on columnar paper.
7. Financial statements are to be prepared in accordance with the illustrations in the text.
8. The business name given in your problems must be shown on all financial statements exactly as illustrated in the text.
9. Where underlines are required, a ruler should be used. Under figures, a single underline indicates a calculation involving the numbers above the line; a double underline indicates a final total.
10. Account titles (names) must not be abbreviated.
11. Capital letters are to be used as illustrated in the text.
12. Dollar signs are to be included in financial statements beside the first amount in each column and beside each amount appearing directly above a double underline.
13. Pay particular attention to grammar and spelling. In the Owner's Equity section of the Balance Sheet, the apostrophe must be used in possessive words such as Shareholders', Partners' or Owner's Equity.

**Schedule**  
**(January-March-Term A)**

Lectures Week(s) Beginning	Outcome/Material Covered	Reference/ Reading	Problems For Submission	Due Week Beginning	LYRYX Lab	Due
Jan. 3, 10	Accounts and Notes Receivable	Ch. 10, Vol. 1	10-3A, 10-9A	Jan. 10		
		Ch. 10, Vol. 1 Appendices 10A&B	10-14A	Jan. 17	10.1	Jan. 19
Jan. 17, 24	Capital Assets and Goodwill	Ch. 12, Vol. 2	12-3A, 12-8A	Jan. 24		
		Appendix 12A	12-15A	Jan. 31	12.2	Feb. 2
Jan 31	Payroll	Ch. 11, Vol. 1	11-1A, 11-4A	Feb. 7	11.3	Feb. 9
Feb 7	Current liabilities	Ch. 13, Vol. 2 Appendix 13A	13-2A, 13-5A	Feb. 14	13.3	Feb 16
Feb. 14	Partnerships	Ch. 14	14-2A, 14-6A	Feb. 21	14.3	Feb. 23
Feb. 21	Corporations	Ch. 15, Appendix 15A	15-4A, 15-7A	Feb. 28	15.3	Mar. 2
Feb. 28	<b>Exam Review</b>					
Mar. 7-11	<b>Midterm Chapters 10–15</b>					
Mar. 14-18	<b>MIDTERM BREAK</b>					

**Schedule  
(March- May –Term B)**

Lectures Week Beginning	Outcome/Material Covered	Reference/ Reading	Problems For Submission	Due Week Beginning	LYRYX Lab	Due
Mar. 21	Corporate Reporting-Share transactions, Earnings per Share	Ch. 16, Appendix 16A	16-2A, 16-5A	Mar. 28	16.2	Mar. 30
Mar. 28, April 4	Bonds and Long-term Notes Payable	Chapter 17	17-2A, 17-6A	April 4		
		Appendices 17A&B	17-9A, 17-12A	April 11	17.4	Apr. 13
April 11	Investments and International Operations	Chapter 18, Appendix 18A	18-4A, 18-6A	April 18	18.4	Apr. 20
April 18,25	Statement of Cash Flow	Chapter 19	19-2A	April 25		
	Statement of Cash Flow	Appendix 19A	19-8A, A&R 19-1	May 2	19.4	May 4
May 2	Analyzing Financial Statements	Ch. 20	20-3A	May 9		
May 9	<b>Comprehensive Problem</b>	Three hour problem to be written on May 11 from 2:30-5:00pm				
May 16	<b>Course Review</b>					
May 24	<b>Final Examination- Chapters 16-20</b>					