

# BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

## COURSE OUTLINE

COURSE NAME Financial Accounting

COURSE NUMBER FMGT 3110 | DATE September, 1995

Prepared by J. Hughes/C.J. Trunkfield | Taught to Second Year

School Business | School Business

Program Financial Management | Program Financial Management

Date Prepared August, 1995 | Option Accounting/Finance

Term 3 Hrs/Wk Lec 2/Sem 2/Lab 1 Credits

No. of Weeks 14 Total Hours 70

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Instructor(s) J. Hughes/C. Trunkfield Office SE6-381/383 Local

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### PREREQUISITES

1. A mark of 65 % in FMGT 2105 or 70 % in 2100 if taken in BCIT's Financial Management Program.
  2. Students transferring into BCIT's second year from other departments or colleges must have completed courses equivalent to FMGT 1100 and 2100 with a minimum grade of 70%.
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### COURSE OBJECTIVES

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

1. To assist students in developing a better understanding of the accounting process and the concepts and principles involved in attaining objectives as reflected in annual reports for external use.
2. Upon completion of the course students should expect:
  - a) To have acquired skills that will enable them to compete for more challenging and responsible accounting positions at the intermediate level.
  - b) To have determined their aptitude and desire for a professional accounting career while gaining (with a specified grade) exemption from study of the comparable course offered by professional associations (C.G.A., C.A. and C.M.A.).

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## **EVALUATION**

Term Participation	10	%
In-term Test	40	%
Final Examination	50	%
TOTAL	100	%

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## **REQUIRED TEXT(S) AND EQUIPMENT**

*"Intermediate Accounting", Fourth Canadian Edition—Kieso, Weygandt, Irvine & Silvester.*

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## **REFERENCE TEXTS AND RECOMMENDED EQUIPMENT**

Students seriously considering accounting as a professional career have access to a wide selection of books and periodicals on accounting subjects in the BCIT library or through their instructor.

The following is a small selection only of interesting and useful supplementary reading and reference material.

1. Your first year accounting textbook
  2. "Intermediate Accounting" — Sixth Canadian Edition — Welsh, Zlatkovitch, Nelson & Zin
  3. C.I.C.A. Handbook
  4. "Accounting Theory" — Hendriksen, E.S.
  5. "Financial Reporting in Canada" — C.I.C.A.
  6. Canada Business Corporations Act
  7. B.C. Companies Act
  8. Monthly magazines of C.A., C.G.A. and C.M.A. Associations
  9. Published financial reports of leading Canadian companies
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## **COURSE SUMMARY**

### **FMGT 3110 — Term 3**

Begins with a review of the concepts and principles underlying the attainment of financial accounting objectives. This is followed by a comprehensive review of certain procedures in the accounting cycle which are conceptually important in advancing accounting knowledge and performance. Then a general overview of the income statement, balance sheet and statement of changes in financial position precedes an in-depth study of each balance sheet category of assets and any related effects on income determination. Current assets and an introduction to operating assets are completed this term, with other assets, liabilities and shareholders' equity, in FMGT 4110 — Term 4.

**FMGT 3110 Financial Accounting**  
**Detailed Course Outline**  
**Third Term — Fall, 1995**

<b>Week Ending</b>	<b>Material Covered</b>	<b>References</b>	<b>Suggested Weekly Problems</b>
Sept. 8	Introduction.	Ch. 1	Read Ch. 1 & 2
Sept. 15	Accounting principles and standards in a conceptual framework.	Ch. 2	Ques. 11, 15, 17, 20 & 24, p. 29 C. 1-3, p. 30 C. 1-5, p. 32
Sept. 22	Review of the accounting process stressing year-end accounting procedures, adjusting and reversing entries Relationship between the accrual and cash basis of accounting.	Ch. 3	Ques. 3, 8, 10, 11, 15 & 17, p. 55 C. 2-17, p. 64 C. 2-24, p. 68
Sept. 29	Overview of the income and retained earnings statements and unusual income statement items.	Ch. 4	E. 3-10, p. 113 P. 3-3, p. 119 P. 3-10, p. 125
Oct. 6	Elements of the Statement of Financial Position and Statement of Changes and other additional disclosures.	Ch. 5	E. 4-5, p. 171 E. 4-11, p. 175 P. 4-7, p. 182
Oct. 13	Revenue and expense recognition concepts.	Ch. 6	E. 5-6, p. 237 E. 5-13, p. 241 E. 5-18, p. 243 (omit b)
Oct. 20	<b>MIDTERM EXAM</b> – Chapters 1, 2, 3, 4 and 5.		
Oct. 27	Departures from the basic principles of revenue recognition.  Cash control principles and bank reconciliations.	Ch. 6 Appendix A  Ch. 7	E. 6-1, p. 298 E. 6-4, p. 299 P. 6-1, p. 306
Nov. 3	Accounting for and the valuation of accounts and notes receivable.	Ch. 7	E. 6-12, p. 302 P. 6-8, p. 307 P. 7-3, p. 371

Week Ending	Material Covered	References	Suggested Weekly Problems
Nov. 10	Inventory measurement and cost flow methods.	Ch. 8	E. 7-14, p. 366 E. 7-19, p. 367 P. 7-14, p. 377
Nov. 17	Recording Inventory at lower of cost or market.	Ch. 9	C. 8-5, p. 414 P. 8-4, p. 429 P. 8-8, p. 432 (omit LIFO)
Nov. 24	Inventory estimation methods and other issues.	Ch. 9	E. 9-3, p. 464 P. 9-5, p. 472 E. 9-8, p. 465
Dec. 1	Cash and non cash acquisitions and disposals of assets.	Ch. 10	E. 9-9, p. 466 E. 9-13, p. 467 P. 9-12, p. 476
Dec. 8	Review.		P. 10-11, p. 527 P. 10-12, p. 528 P. 10-22, p. 518
Dec. 15	<b>FINAL EXAMINATION</b> – Chapters 1-10 inclusive.		

Course outline for FMGT 4110 will be distributed at commencement of Term 4 in January, 1996.