



OCT 13 1999

Course Schedule

BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

Operating Unit: Business

Program: Financial Management

Option: Accounting and Finance

FMGT 3110

Financial Accounting 1

Start Date: September, 1999

End Date:

Course Credits:

Term/Level: 3

Total Hours: 75

Total Weeks: 15

Hours/Week: 5	Lecture: 2	Lab: 1	Shop:	Seminar: 2	Other:
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Prerequisites

FMGT 3110 is a Prerequisite for:

Course No. Course Name

Course No. Course Name

FMGT 2100 with a mark of 70% or

FMGT 4110 Financial Accounting 2

FMGT 2105 with a mark of 65%

Students transferring to BCIT's second year from other departments or colleges must have completed the equivalent of FMGT 1100 and 2100 with a minimum grade of 70%.

Course Calendar Description

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 and balance sheet precedes an in-depth study of each balance sheet category and any related effects on income determination. Current assets are completed this term.

Course Goals

This is the first of two courses in intermediate accounting designed to prepare the student to enter a professional accounting program at the intermediate level. FMGT 3110 covers a review of the accounting cycle taken in FMGT 1105/2105; the application of GAAP and accounting concepts and principles to the accounting process; the preparation of all financial statements; recognition and measurement of revenues/gains/expenses/losses under GAAP including all necessary adjustments; presentation and measurement of current assets of cash, receivables and inventory.

Evaluation

Quizzes and Participation	10%
Midterm Exam	40%
Final Exam	50%
TOTAL	100%


Course Learning Outcomes/Competencies

1. Identify and explain the major accounting concepts and principles and be able to identify which of the principles or concepts apply to specific accounting principles.
2. Explain the objectives of financial reporting and explain the application of those objectives in statement preparation.
3. Recognize and measure revenue in accordance with GAAP for specific revenue transactions including measurement of revenue deferrals.
4. Recognize and measure expenses in accordance with GAAP for specific expenditure transactions including deferrals.
5. Properly record the various revenue and expense transactions in the accounting cycle including adjusting, closing and reversing entries.
6. Prepare a statement of income in proper form properly identifying and classifying other gains and losses, extraordinary items and other irregular items.
7. Prepare a statement of retained earnings from data supplied including identifying and properly presenting prior period adjustments.
8. Prepare a basic statement of cash flow – cash basis – with properly identified operating, financing and investing activities.
9. Prepare a properly classified statement of financial position with proper disclosures from an adjusted trial balance.
10. Explain the criteria for classifications of various statement components such as current assets versus operating assets; financing activities versus investing activities.
11. Properly identify and classify different types of cash accounts for reporting purposes; explain internal control techniques for cash and prepare a complex bank reconciliation.
12. Properly measure, adjust, record and report on accounts and notes receivable including determination of bad debts reported using acceptable methods, determining discounted values and present values of notes.
13. Account for discounting, selling, pledging and factoring notes and accounts receivable.
14. Properly report and measure inventory values and the resulting cost of goods sold using FIFO, LIFO, Weighted Average, Moving Average and application of LCM concept as permitted in the Handbook.

15. Account for inventory transactions using both perpetual and periodic inventory methods and report on the effect on income and asset values due to the choice.
16. Estimate inventory values using the gross margin method and the retail inventory method based on FIFO/Average; Cost/LCM valuations.
17. Describe the accounting for temporary and long-term investments in debt and equity securities.
18. Apply the cost and equity methods of accounting for long-term investments.

Course Content Verification

I verify that the content of this course outline is current, accurate, and complies with BCIT Policy.



Program Head/Chief Instructor



Date

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



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Instructor(s)

Robin Dalziel

Office No.: SE6 319

Office Phone: TBA

Bryan Parker

Office No.: SE6 319

451-6752

Learning Resources

Required:

Intermediate Accounting – 5th Canadian Edition – Kieso, Weygandt et al.

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

1. Your first year accounting textbook
 2. C.I.C.A. Handbook
 3. "Financial Reporting in Canada" — C.I.C.A.
 4. Canada Business Corporations Act
 5. B.C. Companies Act
 6. Monthly magazines of C.A., C.G.A. and C.M.A. Associations
 7. Published financial reports of leading Canadian companies
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BCIT Policy Information for Students

All Outlines, Schedules and Mark Allocations are subject to change if the instructor determines that a change is required.

Assignment Details

Attendance requirements will be enforced as per the BCIT policy. Excessive absence will be deemed to be missing more than 2 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*.

Student solutions to the suggested problems do not have to be submitted for grading each week; however, the mark for participation will be largely based upon the oral response given by the students to questions specifically asked on the assignment during one of the seminars or on the results of in-class quizzes.



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Week of/ Number	Outcome/Material Covered	Reference/ Reading
Sept. 10	Introduction to course and structure	Chapter 3
Sept. 17	Rigorous review of the accounting cycle — exclude Appendix 3A	Chapter 3
Sept. 24	Conceptual framework and GAAP standard setting process	Chapters 1 & 2
Oct. 1	Development and presentation of Statements of Income and Retained Earnings — include Appendix 4A except extended phase out application	Chapter 4
Oct. 8	Development & presentation of the Balance Sheet and introduction to the Statement of Cash Flows	Chapter 5
Oct. 15 (4-day week)	Revenue Recognition 1: Criteria and Point of Sale reporting and measurement issues	Chapter 6 (pp. 259–265)
Oct. 22	Mid-Term Examinations Chapter 1–5 and Revenue Recognition 1	
Oct. 29	Revenue Recognition 2: Before and After Product or Service Delivery — include Appendix B, exclude Appendix A	Chapter 6
Nov. 5	Cash & Receivables: Emphasis on present value of notes and transfer of receivables accounting	Chapter 7
Nov. 12	Inventory Cost Flow Methods Lower of Cost or Market Application	Chapter 8 Chapter 9 pp. 427–434
Nov. 19	Inventories: Estimated Valuation Methods Temporary Investments	Chapter 9 Chapter 10 pp. 469–478
Nov. 26	Long Term Investments: Debt & Equity Acquisition, Maintenance & Disposition — exclude Appendix 10A	Chapter 10
Dec. 3	Review	
	Final Examination — Chapter 1–10	

* Seminar/Lab Problem Sets will be provided one week prior to the topic lecture.

** Course Outline for FMGT 4110 will be distributed at commencement of Term 4, January 2000.