



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

SCHOOL OF BUSINESS:

Programs: Marketing Management, Business Administration, Human Resource, Information Technology, Integrated Management, Operations Management, International Trade and Transportation

**FMGT 2100
Accounting 2**

Start Date: January 2003

End Date: May 2003

Total Hours: 76 **Course Credits:** 6 **Term/Level:** 2

Total Weeks: 19 **Hours/Week:** 4 **Lecture:** 2 hours **Lab:** 2 hours

Prerequisites:		FMGT 2100 is a Prerequisite for:	
Course No.	Course Name	Course No.	Course Name
FMGT 1100	Accounting 1		See BCIT calendar

Course Goals/ course calendar description:

This course is the second of two designed to provide first year Students in the above stated programs with a general understanding of the nature, purpose and general procedures of accounting. 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.

Evaluation:

Assignments	10%	A final grade of 70% is required to obtain transfer credits to term 3 of the Financial Management Technology full-time day school diploma program.
Mid- term	40%	
Final	<u>50%</u>	
Total	<u>100%</u>	

Course Learning Outcomes/ Competencies:

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

1. Prepare entries to account for credit sales, including alternative methods of accounting for bad debts.
2. Prepare entries to record transactions involving notes receivable including the calculation of interest and the discounting of notes.
3. Calculate and record amortization on various types of fixed assets using alternative, generally accepted accounting practices.
4. Record the entries for the purchase, sale and trade-in of fixed assets.
5. Prepare entries to record transactions involving liabilities such as notes payable (including the calculation of interest and discount), and lease liabilities.
6. Record the entries required for the various transactions involving long-term liabilities (notes and bonds payable) including the calculation of present value.
7. Describe and differentiate the advantages and disadvantages of a corporation, a partnership and a proprietorship.
8. Prepare entries for a partnership including allocation of earnings, admission or retirement of a partner and liquidation of a partnership.
9. Record the entries required for the shareholders' equity of a corporation including share issues, retained earnings, dividends, stock splits and repurchase of shares.
10. Recognize proper presentation of the shareholders' equity section of a balance sheet, extraordinary items, prior period adjustments and accounting changes.
11. Record short-term and long-term investments in corporate securities and the transactions involving international operations (transactions for exchange).
12. Prepare a basic consolidated financial statement with goodwill and minority interest.
13. Prepare and interpret a statement of cash flow using the direct and indirect methods.
14. Analyze and interpret financial statements (ratios and percentages).
15. Prepare entries unique to a manufacturing company and prepare a schedule for the cost of goods manufactured.
16. Understand the basics of the budgetary process and prepare an operational budget.

Verification:

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

Sharon Hatten, Dipl.T, CGA,
Authoring Instructor

Sharon Hatten Nov 25 2002
Signature/Date

I verify that this course outline has been reviewed.

Sharon Hatten, Dipl.T, CGA,
Senior Instructor

Sharon Hatten Nov 25, 2002
Signature/Date

I verify that this course outline complies with BCIT policy.

Tim Edwards Dipl.T, MBA, CMA,
Associate Dean

T. Edwards Nov 28/02
Signature/Date

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

INSTRUCTOR: _____

OFFICE: _____

PHONE: _____

email: _____

OFFICE HOURS: to be announced

Texts and Equipment: required

1. Text; *Accounting*, Canadian Fifth edition, Horngren, Harrison, etc. (volumes 1,2, & 3)
2. 3 column paper.
3. Dark pencil, eraser, ruler, non-programmable calculator and stapler.

OPTIONAL:

Study Guide to the text, "*Accounting*", Canadian Fifth edition, Horngren, Harrison, etc.

Information for Students:

1. ALL OUTLINES, SCHEDULES AND MARK ALLOCATIONS ARE SUBJECT TO CHANGE IF THE INSTRUCTOR DETERMINES THAT A CHANGE IS REQUIRED.
2. This course outline may assist you in the 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.
3. ETHICS: BCIT assumes that all students attending the Institute will follow a high standard of ethics. (Refer to the current BCIT Calendar.)
4. 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 students who knowingly contribute to the act of dishonesty, cheating and plagiarism." (Refer to the current BCIT Calendar.)
5. Translators, programmable calculators and calculators with alphabetic capability can not be used during exams.
6. Examinations are an important and necessary component of Financial Management courses. Students are expected to write mid-term and final examinations on the scheduled days. Refer to your course outline. Circumstances such as legitimate illness may arise and make it impossible to write an exam. (Doctor notes are required in all cases.) Such circumstances must be communicated to the instructor **in advance** of the examination date. In such cases, the instructor may decide to :
 - a) allow you to write at an alternative time or
 - b) transfer the marks to the final examination.In all other cases, missed examinations will result in a mark of zero.
7. **I.D. Required in Examination Centers:**

Effective in December 2000, in order to write exams, students will be required to produce photo-identification at examination centers. Photo I.D. must be placed on the desk before an exam will be issued to the student. The I.D. 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 a government photo I.D. such as a driver's license. Please see BCIT Policy #5300, Formal Invigilation Procedures.
8. 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. Excessive absence will be deemed to be missing more than two classes for reasons within the student's control. Upon notification of excessive absence and failure to provide adequate explanation, the student may be **disqualified from writing the final examination**. ILLNESS: A doctor's note may be required if you miss assignments or exams.
9. 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.

Assignment Details:

1. The weekly assignments will be graded:

“E/G” – good or excellent (no marks are deducted)

“F” – fair (1/2 a mark will be deducted)

“U/I” – unsatisfactory or incomplete (deduct 1 marks from the 10% total assignment mark)

2. **Late assignments will not be accepted without the permission of the instructor. Please bring late assignments with a written explanation to the instructor's office.**
3. Every attempt has been made to have the assignments schedule lag considerably behind the lectures, students should not take this to mean that the assignments need to be left until the assigned date, instead the due date is to be viewed as the submission time. Do the assignments as early as possible.
4. Students, who wish to master accounting, are encouraged to complete additional problems. The answers to these problems may be reviewed with your instructor.
5. **Students are required to bring their textbooks to all labs and lectures.**

6. Students 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

7. **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.

GUIDE FOR STUDENTS IN THE SUBMISSION OF ASSIGNMENTS:

1. Show **full name, student number and set** in the upper **RIGHT** of each page.
2. Identify **problem numbers on top CENTER** of the page.
3. Use **only one side** of the paper. Leave sufficient space between problems for marking comments.
4. **Staple** all pages together at the upper **left-hand** corner in the order that problems were assigned.
5. Write plainly and neatly. Submit assignments in HB pencil. Pencil must be **dark lead**.
6. **Columnar paper** must be used in all assignments.
7. Decimals and commas are not required on columnar paper. (That is what the columns are for!)
8. Financial statements are to be prepared in accordance with the illustrations in the text unless otherwise directed by your instructor.
9. The business name given in your problems must be shown on all financial statements exactly as illustrated in the text.
10. Where underlines are required, a ruler should be used. Under figures, a **single underline** indicates a calculation involved in the numbers above the line, a **double underline** indicates a final total.
11. Account titles (names) **must not** be abbreviated.
12. Capital letters are to be used as illustrated in the text.
13. 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.
14. 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.
15. The word stockholder is used in the U.S.A while in Canada, Australia and England the term is Shareholder. The terms stock and share can be interchanged.

LECTURE SCHEDULE:

Week of	Lecture	Material Covered	Reference/Reading
Jan. 6	a, b	Accounts and Notes Receivable	Chapter 8 and appendix page 453
Jan. 13	a continued	
Jan. 13	b	Capital Assets, Intangible Assets, and Related Expenses	Chapter 10 (ignore appendix)
Jan. 20	a,b continued	
Jan. 27	a,b	Current Liabilities and Payroll	Chapter 11
Feb. 3	a,b	Long-term Liabilities	Chapter 15
Feb. 10	a,b	Partnerships	Chapter 12
Feb. 17	a,b	Corporations – Capital Stock and the Balance Sheet	Chapter 13 (Ignore p. 731-732)
Feb. 24		Review	
March 3		School of Business Mid-term Exam Week Exam is 40% of final grade	Chapters 8, 10, 11, 15, 12
March 10		MID TERM BREAK	
March 17	a,b	Retained Earnings, Stock Purchases and the Income Statement	Chapter 14
March 24	a,b	Investments and International Operations	Chapter 16
March 31	a,b	The Cash Flow Statement	Chapter 17 (ignore appendix)
April 7	a,b	Financial Statement Analysis	Chapter 18
April 14	a,b	Introduction to Management Accounting	Chapter 19 (ignore p. 1103 – 1111)
April 22	a,b	Job Costing	Chapter 20
April 18 to 21 Easter Weekend		April 30th - BCIT PD day – ALL classes are cancelled	
April 28	a,b	The Master Budget and Responsibility Accounting	Chapter 23
May 5	a,b continued	
May 12	a,b	Course Review	
May 20		EXAM WEEK (Final 50% of final grade)	Chapters 13, 14, 16, 17, 18, 19, 20, 23

ASSIGNMENT SCHEDULE:

Please note additional problems may be assigned as required.

Due the week of	Assigned problems:	PAGE
Jan. 13	Problem 8 – 4 B	p. 444
Jan. 20	Problem 8 – 6 B, Problem 8 – 8 B, (part 1 only)	p. 445 p. 446
Jan. 27	Problem 10 – 1 B Problem 10 – 4 B	p. 546 p. 548
Feb. 3	Problem 10 – 7 B Problem 10 – 8 B (error p.551 Dec.30 Maintenance is \$800, not \$400)	p. 550 p. 550
Feb. 10	Problem 11 – 1 B Problem 11 – 4 B	p. 606 p. 608
Feb. 17	Problem 15 – 2B (parts 1, 2, 3, & 5 only) Problem 15 – 4 B Problem 15 – 5 B (Also do Jan 2/03 lease payment and prepare the Balance Sheet Presentation for Liabilities.)	p. 849 p. 850 p. 850
Feb. 24	Problem 12 – 2 B Problem 12 – 3 B Problem 12 – 4 B (part 1 only) Problem 12 – 5 B Problem 12 – 6 B (part 2 only)	p. 700 p. 700 p. 700 p. 701 p. 702
March 3	Exam week	
March 10	Mid-term break	
March 24	Problem 13 – 2 B Problem 13 – 7 B Problem 13 – 8 B (Authorized preferred s/b 100,000 not 10,000)	p. 750 p. 752 p. 753
March 31	Problem 14 – 2 B (check figure is \$797,000) Problem 14 – 5 B Problem 14 – 8 B (check figure is \$956,000)	p. 796 p. 797 p. 799
April 7	Problem 16 – 1 B Problem 16 – 4 B (handout) Problem 16 – 7 B	p. 903 p. 905 p. 906
April 14	Problem 17 – 8 B	p. 966
April 22	Problem 18 – 4 B (part 1 & 2) Problem 18 – 7 B	p. 1029 p. 1033
April 29	Problem 19 – 1 B Problem 19 – 2 B (assume sales commission is an expense)	p. 1125 p. 1125
May 5	Problem 20 – 2 B (treat each job separately) Problem 20 – 5 B	p. 1170 p. 1172
May 12	Problem 23 – 1 B Problem 23 – 2 B Problem 23 – 7 B	p. 1315 p. 1316 p. 1318