



A Polytechnic Institute

BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business

Program: Financial Management

Option: Accounting

Course Outline**FMGT 4110
Financial Accounting 2****Start Date:** January, 2003**End Date:** May, 2003**Course Credits:****Term/Level:** 4**Total Hours:** 90**Total Weeks:** 18**Hours/Week:** 5**Lecture:** 2**Lab:** 1**Shop:****Seminar:** 2**Other:****Prerequisites****FMGT 4110 is a Prerequisite for:**

Course No.	Course Name
FMGT 3110	Intermediate Accounting I

Course No.	Course Name
None.	

Course Calendar Description

This is the second of two courses in intermediate accounting designed to prepare the student to enter a professional accounting program at the intermediate level. FMGT 4110 utilizes and builds on the student's knowledge of GAAP learned in FMGT 3110 by applying the principles to more specific areas of accounting such as income taxes, leases and pensions. In the process, it specifically addresses the accounting issues involved in accounting for intangible assets, contingencies, long-term debt, equity and the accounting for income taxes, pensions and leases.

Course Goals

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

1. develop a better understanding of the accounting process and the concepts, principles and procedures essential to the attainment of accounting objectives as exemplified in annual reports prepared for external use.
2. Upon completion of this course, students should expect to have:
 - a. acquired skills that will enable them to compete for more challenging and responsible accounting positions at the intermediate level.
 - b. 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.A., C.G.A. and C.M.A.).

Evaluation

Mid-term Examination	45% (3 hours)
Quizzes and/or Case Presentation	10%
Final Examination	45% (3 hours)
TOTAL	100%

Course Learning Outcomes/Competencies

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

1. Identify and account for investments other company's securities on a under temporary holding and long-term holding assumptions.
2. Application of cost and equity method of accounting for long term equity holdings.
3. Record current liabilities, particularly in such specific areas as short-term notes, contingencies and compensated absences.
4. Record the issue and retirement of long-term notes payable, mortgages and bonds, including the appropriate accrual of interest and expenses. A thorough knowledge of present value concepts will be expected.
5. Fully understand disclosure requirements for shareholders' equity and the accounting for share capital transactions, including those affecting contributed surplus and retained earnings accounts. The latter will include accounting for stock rights, stock splits and dividends.
6. Identify complex debt and equity instruments and account for stock warrants and stock compensation plans.
7. Gain a basic understanding of how to record income tax expense using the asset/liability approach including the application of loss carry-forwards.
8. Appreciate the complexities of accounting for leases and to record basic direct financing and sales types. Here again, present value concepts will be stressed.
9. Understand the nature of pensions and post-retirement benefits and the complexities of accounting for them. To be able to prepare the worksheets and journal entries for more than one year for basic pension arrangements.
10. Detailed understanding of the definition and determination of earnings-per-share under simple and complex capital structures.
11. Develop the analytical and technical ability to handle accounting changes in the accounts and related external reporting.
12. To maintain an understanding of financial statement relationships, the Statement of Cash Flow implications will be discussed on a topic by topic basis.

Course Content Verification

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



Authoring Instructor



Date

I verify this course content has been reviewed.



Program Head/Chief Instructor




Date

I verify that this course outline complies with BCIT policy.



Dean/Associate Dean



Date

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

Instructor(s)

Bryan Parker, CA

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Office Hrs.: Posted

Office Phone: 451-6752

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Learning Resources

Required:

Intermediate Accounting — 1st Edition — Beechy, Conrod

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

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

- X **Assignments:** Late assignments or projects will not be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.
- X **Attendance:** The attendance policy as outlined in the current BCIT Calendar **will be enforced. Absence from greater than 10% of seminars/labs, without cause, will be grounds for prohibiting students from writing the final exam.**
- X **Course Outline Changes:** The material specified in this course outline may be changed by the Instructor. If changes are required, they will be announced in class.
- X **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.
- X **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 (i.e., an average is given according to your performance throughout the course).
- X **Makeup Tests, Exams or Quizzes:** There will be **no** makeup tests, exams or quizzes. If you miss a test or quiz, you will receive zero marks. Exceptions **may** be documented medical reasons or extenuating circumstances in accordance with department procedure. ***If the mid-term examination is missed, with acceptable, documented cause, a four hour, 100% multiple choice comprehensive course exam will be administered upon completion of the course and will comprise solely the course grade.***



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Program: Financial Management

Option: Accounting/Finance

Schedule

FMGT 4110

Financial Accounting 2

Course Administration

- Assigned problems will be reviewed in seminar with the Instructor. It is **expected** that students will be prepared. Students will be called upon to develop solution approaches. ***Students who are consistently unprepared will lose 5% of the course grade.***
- Limited** Check Keys to assigned work sets may be found at: www.faculty.org/fp/bparker.
- One lab hour will be devoted to a weekly multiple-choice format quiz comprising up to 10% of the course grade.
- The final grade will consider attendance and participation in labs and, for those students whose raw grade ends with 3, 4, 8, 9, there will be a maximum 2% uplift, depending on lab and seminar participation.

Week	Lecture #1	Lecture #2	Chapter	Work (debrief week following)
*This schedule is subject to change at the discretion of the Instructor.				
Jan. 6-10	Investments in Debt & Equity Securities (Exclude Appendix)	Investments in Debt & Equity Securities (Exclude Appendix)	Chapter 12 Volume I	P12-3,4,7,10 No Lab this week
Jan. 13-17	Liabilities: Current & Non-current	Liabilities: Current & Non-current	Chapter 13 Volume II	P13-2,8,13, 15 Lab: Practice Quiz
Jan. 20-24	In-Lecture Practice Exam Question	Shareholders' Equity	Chapter 14	P14-3,6,10 Lab: Quiz Ch.12
Jan. 27-31	Complex Debt & Equity Instruments (Exclude Appendix)	Complex Debt & Equity Instruments (Exclude Appendix)	Chapter 15	P15-3,6,8,9,15 Lab: Quiz Ch.13
Feb. 3-7	In-Lecture Practice Exam Question	Accounting for Corporate Income Taxes (Exclude Appendix)	Chapters 16 & 17	P16-2,3,7 Lab: Quiz Ch.14
Feb. 10-13	Accounting for Corporate Income Taxes	Accounting for Corporate Income Taxes	Chapters 16 & 17	P17-1,3,5 Lab: Quiz Ch.15
Feb. 17-21	Accounting for Corporate Income Taxes	No Lecture	Chapters 16 & 17	Lab: Quiz Ch.16
Feb. 24-27	In-Lecture Practice Exam Question	No Lecture		Lab: Quiz Ch.17
Mar. 3-7	Midterm Examination: 3 Hours (Chapters 12-17)			
Mar. 10-14	Spring Break			
Mar. 17-21	Lease Accounting: Lessees	Lease Accounting: Lessees	Chapter 18	P18-3,4, 9 No Lab this week
Mar. 24-28	Lease Accounting Lessors	Lease Accounting Lessors	Chapter 19	P19-3,6,7 Lab Optional

Week	Lecture #1	Lecture #2	Chapter	Work (debrief week following)
Mar.31 - Apr. 4	Pensions & Other Post Retirement Benefits	Pensions & Other Post Retirement Benefits	Chapter 20	P20-3,5,9 Lab: Quiz Ch.18
Apr. 7-11	Earnings Per Share (Separate material)	Earnings Per Share (Separate material)	Chapter 21	P21-2,7,8 Lab: Quiz Ch.19
April 14-17	In-Lecture Practice Exam Question	No Lecture		Lab: Quiz Ch.21
April 18	Good Friday	No Classes		
April 21	Easter Monday	No Classes		
Apr. 22-25	Accounting Changes	Accounting Changes	Chapter 22	P22-4,5,7,14 No Lab this week
Apr. 28-May 2	Financial Statement Analysis	Financial Statement Analysis	Chapter 23	P23-3,9,11 Lab: Quiz Ch.22
May 5- 9	Case Presentations or TBA	Case Presentations or TBA		
May 12-16	Office Hours			
May 19	Victoria Day – No Classes			
May 20-23	Final Examination: 3 Hours			