



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

School of Business

Program: Financial Management

Option:

FMGT 2105
Accounting 2

Start Date: January, 2002

End Date: May 24, 2002

Course Credits: 5.5

Term/Level: 2

Total Hours: 80

Total Weeks: 20

Hours/Week: 4

Lecture: 2

Lab: 2

Shop:

Seminar:

Other:

Prerequisites

FMGT 2105 is a Prerequisite for:

| Course No. | Course Name |
|------------|-------------|
| FMGT 1105 | Accounting |

| Course No. | Course Name |
|---------------------------|-------------|
| Most second year courses. | |

Course Calendar Description

This course is the second of two designed to provide first year Financial Management students 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.

- Every attempt has been made to have the assignment schedule lag considerably behind the lectures. However, on occasion this may not always be the case.
- Students who wish to master Accounting are encouraged to do extra problems.
- Students are required to bring their textbook to the labs but not lectures.
- Please keep this course outline in case you need credit from another institution in the future.

Course Goals

Evaluation

| | | |
|-----------------------------|------------|---|
| Final Examination | 45% | There will be a number of quizzes held either in the lecture or the lab. These quizzes will be announced one week in advance. |
| Midterm | 30% | |
| Quizzes, Weekly Assignments | <u>25%</u> | |
| TOTAL | 100% | |

- **There will be no opportunity to make up missed quizzes.**
- All outlines, schedules and mark allocations are subject to change if the Instructor determines that a change is required.

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 fixed assets using alternative generally accepted accounting practices.
5. Record the entries for the purchase, sale and trade-in of fixed assets.
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 share issues, retained earnings, dividends and stock splits.
10. Recognize proper presentation in the shareholders' equity section of a balance sheet for extraordinary items, prior period adjustments and accounting changes.
11. Prepare payroll.
12. Understand responsibility accounting and accounting for departments.
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 changes in financial position.



Instructor(s)

| | | |
|----------------|---------------------|--------------------|
| Mary Hamm | Office No.: SE6-343 | Office Phone: 6759 |
| Joann Johnston | Office No.: SE6-343 | Office Phone: 6759 |
| Assistants TBA | | |

Learning Resources

Required:

Text: Horngren, Harrison, Bamber, Lemon, Norwood, Can. 5th Ed.

Sharp financial calculator – EL 733

Accounting paper (3 or 4 column) and/or computer paper

Dark pencil, eraser, ruler — these supplies are available from the BCIT Book Store or TNT.

BCIT Policy Information for Students

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.

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

Guidelines for Students in the Submission of Assignments

1. Show full name and set number in the upper right of each page.
2. Identify problem numbers on the left side of the page.
3. Staple all pages together at the upper left hand corner in the order that problems were assigned.
4. Write plainly and neatly. Submit assignments in HB pencil or computer printout. Pencil must be dark lead.
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. The word Stockholder is used in the USA; Shareholder is the terminology in Canada.
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.



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| Lectures Week Beginning | Outcome/Material Covered | Reference/ Reading | Assignment | | Due Week Beginning |
|-------------------------------|---------------------------------|-----------------------|---|--------------------------------------|-----------------------|
| Jan. 2, 7 | Accounts and Notes Receivable | Ch. 8 | Prob. 8-3A Fin. Stmt. Prob. p. 450 | | Jan. 7 |
| | | Ch. 8, 9 | Prob. 8-1A (Appendix p. 453), 8-6A, 8-9A | Ex. 8-5, 8-7 | Jan. 14 |
| Jan. 14 | Merchandise Inventory | Ch. 9 | Prob. 9-4A, 9-6A, 9-7A, 9-8A | Ques. 10, 14, 15, 18 Ex. 9-19 | Jan. 21 |
| Jan. 21, 28 | Capital Assets | Ch. 10 | Prob. 10-1A, 10-2A, 10-4A | Ex. 10-8 | Jan. 28 |
| | | | Prob. 10-8A, 10-9A Fin. Stmt. Prob. p. 553 | Ex. 10-15 | Feb. 4 |
| Feb. 4 | Current Liabilities and Payroll | Ch. 11 | Prob. 11-1A, 11-6A | Ques. 10, 22 Ex. 11-2, 11-4 | Feb. 11 |
| Feb. 11 | Partnerships | Ch. 12, Vol. 2 | Prob. 12-3A, 12-5A, 12-6A, 12-9A | Ques. 2, 3, 4, 6, 7 | Feb. 18 |
| Feb. 18 | Corporations | Ch. 13 | Prob. 13-3A, 13-7A, 13-10A | Ques. 12, 14, 17 Ex. 13-15, 13-16 | Feb. 25 |
| Feb. 25 | Retained Earnings/Review | Ch. 14 | | | |
| Mar. 4-8 | Midterm Chapters 8-12 | | | | |
| Mar. 11-15 | MIDTERM BREAK | | | | |

| Lectures Week Beginning | Outcome/Material Covered | Reference/ Reading | Assignment | | Due Week Beginning |
|-------------------------------|-----------------------------------|---------------------------|---|--|-----------------------|
| Mar. 18 | Retained Earnings | Ch. 14 | Prob. 14-4A, 14-6A, 14-9A | Ques. 5, 8, 18, 22 Ex. 14-13 Beyond the numbers 14-1 | Mar. 25 |
| Mar. 25 Apr. 1 | Long-term Liabilities | Ch. 15 | Prob. 15-4A, 15-7A Fin. Stmt. Prob. p. 854 | Ex. 15-10, 15-17 | Apr. 1 |
| | | | Prob. 15-9A, 15A-6, p. 863 | | Apr. 8 |
| Apr. 8 | Investments and International Op. | Ch. 16 | Prob. 16-2A, 16-4A, 16-8A, 16-9A | Ques. 2, 4, 5, 9, 11, 13 Ex. 16-6, 16-7, 16-10 | Apr. 15 |
| Apr. 15, 22 | The Cash Flow Statement | Ch. 17 Indirect/Direct | Prob. 17-5A, 17-6A, 17-10A | Ques. 2, 5, 6, 15 Beyond Numbers 17-1 | Apr. 22 |
| | | | Prob. 17-2A, 17-8A | Decision Prob. 1, p. 969 | Apr. 29 |
| Apr. 29 | Financial Statement Analysis | Ch. 18 | Prob. 18-5A Fin. Stmt. Prob. p. 1037 | | May 6 |
| May 13 | Review | | | | |
| May 21–24 | EXAM WEEK | | | | |