



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

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Course Outline **Part A**

Business

Program: Financial Management

Option: Advanced Accounting

**FMGT 7120**

**Advanced Accounting**

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<b>Hours/Week:</b>	4	<b>Total Hours:</b>	72	<b>Term/Level:</b>	4
<b>Lecture:</b>	2	<b>Total Weeks:</b>	18	<b>Credits:</b>	4
<b>Lab:</b>	2				
<b>Other:</b>					

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### Prerequisites

### FMGT 7120 is a Prerequisite for:

Course No.	Course Name	Course No.	Course Name
FMGT 4110	Financial Accounting 2	FMGT 8120	Accounting Theory
		FMGT 8910	Integrative Business Management Practices

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### Course Goals

- Understand the fundamental principles and concepts underlying each of the areas covered.
  - Research and solve complex accounting problems, whether these problems are presented as specific technical questions or as a series of issues in an unstructured situation.
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### Course Description

Students will be expected to acquire a working knowledge of the current CICA Handbook recommendations as well as alternative approaches to each issue addressed. They will apply this knowledge to situations presented in case studies or complex questions. In reviewing assignments and analyzing case studies, particular emphasis will be placed on how the accountant exercises professional judgement to resolve a problem, what resources may be available to assist him/her to reach an appropriate solution, and finally how the results should be communicated to the client.

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### Evaluation

Final	50%
Mid-term	40%
Quizzes / Assignments	10%
<b>TOTAL</b>	<b>100%</b>

## Course Outcomes and Sub-Outcomes

Upon successful completion of this course, students should have obtained many skills which are necessary to become a public accountant. They are categorized as follows:

### Intellectual Skills – the ability to:

- Analyze the environment surrounding a situation including the identification of: 1) the users of the financial information, and 2) the potential ramifications to each of those users resulting from the selection of a particular accounting policy.
- Solve problems in unfamiliar and changing situations.
- Develop alternative solutions to a problem.
- Recommend meaningful and practical solutions that respond to users' needs.
- Communicate clearly and effectively.

### Technical Skills

The student should be able to perform the following functions or show mastery of the following skills:

- Explain the application of GAAP as it relates to objectives and criteria of financial reporting and the characteristics of the industry being reported on.
- Determine the effects of various partnership profit or loss distribution agreements and record such distributions.
- Determine the effects of various agreements to admit new partners and record such admittance.
- Determine the effects of various agreements for the withdrawals of partners and record such withdrawals.
- Record the liquidation of a partnership assuming various financial positions of the partners within the partnership.
- Discuss GAAP for not-for-profit organizations and explain the characteristics of such organizations.
- Identify reporting objectives of not-for-profit organizations.
- Maintain and report financial information on a fund accounting basis.
- Explain and account for the problems of accounting for international activities and foreign currency transactions.
- Record foreign currency transactions including the effect of fluctuating and continuous trend exchange rates and hedging transactions.

### Course Outcomes and Sub-Outcomes (cont'd.)

- Translate foreign operations using each of the following methods: temporal; current-rate; current/non-current as they relate to monetary/non-monetary items.
- Report translation gains and losses under GAAP.
- Explain the problems of intercorporate investment and the reporting of investments in affiliates and subsidiaries.
- Prepare consolidation worksheets and consolidated financial statements at the time of acquisition and for subsequent periods for a parent and subsidiary(ies) based on cost-method accounting and on equity-method accounting by the parent.
- Explain business combinations through the purchase of net assets and/or the purchase of shares, estimation of fair value and the handling of negative goodwill.
- Prepare reports on wholly-owned subsidiaries subsequent to the date of acquisition.
- Report on non wholly-owned subsidiaries on dates subsequent to the date of acquisition.
- Record and report on: intercompany sale of assets on the books of both the parent and subsidiary; extraordinary items between companies; tax effect of intercompany dividends; intercompany bond holdings.
- Account for changes in parent company's share of ownership in the subsidiary.
- Account for consolidation of foreign operations.

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### Course Record

Developed by: Scott M. Sinclair, CA; Financial Management Date: December, 1998  
Instructor Name and Department (signature)

Revised by: \_\_\_\_\_ Date: \_\_\_\_\_  
Instructor Name and Department (signature)

Approved by: \_\_\_\_\_ Start Date: \_\_\_\_\_  
Associate Dean / Program Head (signature)



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

Business

Program: Financial Management

Option: Advanced Accounting

Course Outline **Part B**

**FMGT 7120**

**Advanced Accounting**

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### Effective Date

January, 1999

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### Instructor(s)

Scott Sinclair, CA

Office No.: SE6-321

Phone: 451-7057

Office Hrs.: Wednesday 1:30 – 2:30

Friday 9:30 – 10:20

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### Text(s) and Equipment

Required:

Beechy, Thomas H. *Canadian Advanced Financial Accounting*. (Revised Third Edition). Dryden-Harcourt Brace & Company: Canada.

CICA Handbook

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### Course Notes (Policies and Procedures)

Course Notes (Policies and Procedures)

Conduct & Attendance:

Refer to pages 1 & 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 two (2) labs or seminars 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.

Cheating, Plagiarism:

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 pages 1 and 2 of the current BCIT calendar.)



BRITISH COLUMBIA INSTITUTE OF TECHNOLOGY

Business

Program: Financial Management

Option: Advanced Accounting

Schedule

FMGT 7120

Advanced Accounting

Week of/ Number	Outcome/Material Covered	Reference/Reading
1	Professional judgement and financial reporting/Standard setting	Chapters 1 and 2 CICA Handbook Section 1000
2	Introduction to Intercompany Investments	Chapter 7 CICA Handbook Section 1580
3	Intercompany Investments ( <i>Continued</i> ) Business Combinations	Chapter 8 CICA Handbook Section 3050
4/5	Wholly-owned Subsidiaries	Chapter 9 CICA Handbook Section 1590
6	Consolidation of Non-wholly-owned Subsidiaries	Chapter 10
7	Consolidation of Non-wholly-owned Subsidiaries ( <i>Continued</i> )	Chapter 10
8/9	Consolidated Financial Statements	Chapter 11 CICA Handbook Section 1600
March 8–12	<b>Mid-term Examination</b>	
March 15–19	<b>Spring Break</b>	
10	Changes in Ownership	Chapter 12
11	Foreign Currency	Chapter 16 CICA Handbook Section 1650
12/13	Foreign Currency	Chapter 17
14	Consolidating Foreign Subsidiaries	Chapter 18
15/16	Public Sector Accounting Not-for-Profit Organizations Fund Accounting	Chapter 4, 5, & 6 CICA Handbook Sections 4400, 4410, 4420
17	Partnerships	Handout
18	Review	

### Assignment Schedule

Week	Assignments
1	None
2	Problems 7-7, 8-4
3	Problems 8-5, 8-6
4/5	Problems 9-4, 9-5
6	Problems 10-7, 10-8
7	Problems 10-11, 11-4
8/9	Problems 11-17, 11-27, 11-31
10	Problems 12-5, 12-6
11	Problems 16-9, 16-10
12/13	Problems 17-6, 17-8
14	Problems 18-5, 18-8
15/16	Handout problems
17	Handout problems

Please note that additional problems will be provided throughout the course.