



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option: Continuing Education

Course Outline

FMGT 2100
Accounting 2

Start Date: May 2007

End Date: July 2007

Course Credits:

Term/Level:

Total Hours: 54

Total Weeks: 8

Hours/Week: 6.75

Lecture: 6.75

Lab:

Shop:

Seminar:

Other:

Prerequisites

Course No.	Course Name
FMGT 1100	Accounting 1

Prerequisite for:

Course No.	Course Name
FMGT 3110	Financial Accounting 1
FMGT 3210	Cost and Managerial Accounting 1
FMGT 3310	Auditing 1
FMGT 3420	Income Tax 1
FMGT 3510	Finance 1

Course Description

This course is the second of two designed to provide first year students with a general understanding of the nature, purpose and general procedures of accounting. The course examines cash and internal control; notes and accounts receivables; capital assets; liabilities; partnerships; corporations and consolidation; international transactions; financial statement analysis and cash flow statements.

Evaluation

Lyryx	5%
Assignments	10%
Midterm Exam	40%
Final Exam	45%
TOTAL	100%

Note: Students intending to proceed into Financial Management's full-time day program must achieve a mark of at least 70% in this course.

Course Goals

To provide an understanding of basic accounting principles and procedures, bookkeeping and financial statement preparation and analysis.

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 capital 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 sole 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 retained earnings and the shareholders' equity section of a balance sheet, including extraordinary items, prior period adjustments and accounting changes.
11. Record short-term and long-term investments in corporate securities (stocks and bonds). Record the transactions for international operations regarding currency 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 a bank reconciliation and any required adjusting journal entries.
16. Record petty cash transactions.
17. Identify the aspects of internal control generally and specifically with respect to cash.

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

Barrie Yackness, Authoring Instructor _____ Date _____

I verify that this course outline has been reviewed.

Matthew Haussmann, Continuing Education Coordinator _____ Date _____

I verify that this course outline complies with BCIT policy.

Tim Edwards, Associate Dean _____ Date _____

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

Instructor(s)

Office No.:
Office Hrs.:

Office Phone:
E-mail Address:

Learning Resources

Required:

1. Fundamental Accounting Principles, eleventh Canadian edition by Larson and Jensen.
2. Lyryx
3. 3 or 4-column accounting paper.
4. **dark** pencil, erase, ruler and calculator.

STUDENT INFORMATION ON POLICIES AND PROCEDURES

COURSE OUTLINES: 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 this course outline be safely filed for future reference.

EXAMINATIONS: Recently there has been a greater tendency for students to miss scheduled examinations. Students who miss examinations often request that they be allowed to write make-up examinations. This is often unfair to those who wrote the scheduled examination and time-consuming for the instructor who is asked to prepare alternative examinations.

In an effort to be consistent within Financial Management, the Department has adopted the following policy to deal with mid-term and final examinations.

It is imperative that students write examinations on either the scheduled day per the course outline or the date and time as determined by the Registrar during the formal examination periods. Please make a note of the following Departmental policy:

Subject to circumstances outlined in point 2, a student who fails to write an examination on the scheduled date and time will receive a zero on that examination.

Other than in emergency situations, a student must provide his/her instructor with a reason acceptable to the instructor for missing an examination at least 24 hours prior to the scheduled time of the examination. Should such notice be given and should the reason be acceptable to the instructor, the student may, subject to the discretion of the instructor, be permitted to either write an alternative examination or have an agrotat mark established. It is the student's responsibility to contact the instructor by phone, fax, e-mail, etc.

It is impossible to list every acceptable reason. However, for greater certainty, reasons such as being unprepared or having too many other examinations in the same week will not be accepted. Written documentation, i.e., doctor's notes, will be required in all cases of missed examinations.

Instructors are asked to promptly notify the program head or the academic coordinator of any student who misses an examination together with any supporting documentation.

PHOTO IDENTIFICATION: To write exams, students are required to produce photo-identification at examination centres. Photo identification must be placed on the desk before an exam will be issued to the student and 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 government photo I.D. such as a drivers license.

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 a student who knowingly contributes to the act of dishonesty, cheating and plagiarism. (Refer to the current BCIT Calendar.)

Programmable calculators and calculators with alphabetic capability, electronic dictionaries, and language translators **will not be allowed** in exams. English language dictionaries (paper) **will be allowed** in exams provided they are presented to the exam invigilator prior to the exam. **Cell phones** must be turned off and removed from the desk during exams

GUIDE 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. Use only one side of the paper.
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 except those requiring “essay” answers.
7. Decimals and commas are not required on columnar paper.
8. Financial statements are to be prepared in accordance with the illustrations in the text.
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 below 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.

Class/ Number	Outcome/Material Covered	Reference/ Reading	Assignment Number	Due Date Class
1	Internal control and cash Receivables	Chapter 9 and Appendix 9A Chapter 10 and appendices 10A & 10B	1	2
2	Current liabilities and payroll accounting	Chapters 11 & 13 Appendix 13A	2	3
3	Capital Assets and goodwill Bonds, Long-term Notes Payable, and leases	Chapter 12 Chapter 17 and Appendices 17A & 17B	3	4
4	Bonds, Long-term Notes Payable and Leases Partnerships	Chapter 17 and Appendices 17A & 17B Chapter 14	4 5	5 6
5	Exam-Chapters 9-13 & 17 Organization and Operation of Corporations	Chapter 15 and appendix 15A	6	6
6	Corporation reporting: Income, Earnings per share, and Retained Earnings Reporting and Analyzing Cash Flows	Chapter 16 and Appendix 16A Chapter 18 and Appendix 18A	7	7
7	Accounting for Investments, and International Operations. Consolidations Analyzing Financial Statements	Chapter 19 and Appendix 19A Chapter 20	8	8
8	Exam-Chapters 14-16 & 18-20			

Assignment Number	Questions Assigned	Page	Topic	Lyryx assignment
1	Questions 3, 6	488	Internal control Petty cash Bank reconciliation Bank reconciliation	9.2 (Acid Test)
	Exercise 9-1	490		
	Problem 9-3A	496		
	Problem 9-8A	502		
	Problem A & R 9-2	514		
	Problem 10-4A	555	Bad debts adjustment Bad debts adjustment Notes receivable discounted	10.2- (ageing), (Notes receivable), (ratios)
	Problem 10-7A	556		
Problem 10-14A	559			
2	Questions 5	592	Calcs. and journal entries Journal entries and accruals	13.2- (contingencies) -(discount on notes payable)
	Problem 11-1A	597		
	Problem 11-3A	598		
	Questions 2, 4	698	Warranty Notes payable	
	Exercise 13-13	704		
	Problem 13-2A	706		
3	Questions 1, 3	648	Amortization. + partial year Revisions Non-monetary exchange Disposals Copyright	12-2 - (cost) 12.5- (natural resources)
	Problem 12-8A	660		
	Problem 12-12A	661		
	Exercise 12-29	657		
	Problem 12-14A	662		
	Problem 12-18A	663		
	Quest. 3, 8, 11, 14	902	Straight line amort..-prem. Calculate price of bond	17.2- (basics)
	Exercise 17-21	911		
	Problem 17-1A	915		
4	Exercise 17-15	911	Effective interest amort.-disc. Bond conversion Installment notes Lease liability	
	Exercise 17-26	914		
	Problem 17-11A	919		
	Problem 17-12A	919		
	-requirements 1,3,4			
5	Questions 5, 8	740	P & L allocation Liquidation Liquidation	14.2- (admission), (withdrawal)
	Problem 14-2A	747		
	Problem 14-6A	748		
	Problem A&R 14-1	752		
6	Problem 15-5A	799	Dividend allocation Journal entries & Financial Statements Book value	15.3-
	Problem 15-7A	801		
	Problem 15-10A	803		

7	Exercise 16-13	847	Weighted average EPS	16.2- (journal entries)
	Problem 16-4A	851	Financial statements	
	Problem 16-8A	853	Treasury stock	
	Questions 1, 3, 9	954		18.2- (temporary investments) ; - (bond investment)
	Exercises 18-13	959	Foreign exchange	
	Problem 18-5A	962	Long-term share investments	
	Problem 18-7A-pt B	964	Consolidation	
8	Questions 12, 18	1006		
	Problem 19-3A	1019	Direct method	
	Problem 19-9A	1013	Indirect method	
	Questions 5, 6, 8 10, 11, 13	1071		20.2- (trends); (common size); (ratios)
	Exercise 20-18	1077	Market ratios	
	Problem 20-3A	1079	ratios	

The LYRYX assignments are intended to be done in the same week as the related hand-in assignment. However, the LYRYX assignments may be completed on or before the midterm exam date for your class (for those assignments relating to the chapters examined), and on or before the final exam date for your class for the remainder of the LYRYX assignments. Students will not obtain marks for LYRYX assignments completed after these dates.

