



## Course Outline

A POLYTECHNIC INSTITUTION  
School of Business  
Program: Financial Management  
Option: Continuing Education

### FMGT 2100 Accounting 2

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**Start Date:** January 2007

**End Date:** April 2007

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#### Course Credits:

**Total Hours:** 52

**Total Weeks:** 13

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#### Prerequisites

#### Prerequisite for:

<u>Course Number</u>	<u>Course Name</u>	<u>Course Number</u>	<u>Course Name</u>
FMGT 1100	Accounting 1	FMGT 3110	Financial Accounting 1
		FMGT 3210	Cost and Managerial Accounting 1
		FMGT 3310	Auditing 1
		FMGT 3410	Taxation 1
		FMGT 3510	Finance 1

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#### 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.

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#### Evaluation

Assignments	10 %	<b>Note:</b> Students intending to proceed into Financial Management's full-time day program must achieve a mark of at least 70% in this course.
Lyryx assignments	5 %	
Midterm Exam	40 %	
Final Exam	45 %	
<b>TOTAL</b>	<b>100%</b>	

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#### Course Goals

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

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### 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 worksheet and Balance Sheet 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.

## Course Content Verification

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

Nadine Lancaster, Authoring Instructor \_\_\_\_\_ Date \_\_\_\_\_

I verify that this course outline has been reviewed.

Deacon Devlin, Acting 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.

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## Instructor(s)

Phone Number(s):

Email:

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## Learning Resources

### Required:

- 1) TEXT: *Fundamental Accounting, Principles*, eleventh Canadian Edition (Volumes 1 and 2),  
Larson, & Jensen.

Lyryx (LIFA) is also required.

***Note: Solutions to most exercise level questions can be found at  
[www.bcitfmgt.pageout.net](http://www.bcitfmgt.pageout.net)***

- 2) **dark** pencil, eraser, ruler and calculator (see page 4 for calculator restrictions)

### Recommended:

1. 3 or 4-column accounting paper
2. Financial Calculator – Texas Instruments – BA II Plus

## 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.

**ATTENDANCE:** Regular attendance in lectures, seminars, and labs is seen as critical to student success and will be monitored by faculty. In case of illness or other unavoidable cause of absence, the student must communicate as soon as possible with his/her instructor. In technology programs, a student who attends less than 90% of the course may be subject to immediate withdrawal or failure of the course.

**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 below, 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 **will not be allowed** in exams. English language dictionaries **will be allowed** in exams provided they are presented to the exam invigilator prior to the exam.

**PROGRAM APPROVAL:** Students planning to complete a Financial Management part-time studies program should complete an Application for Program Approval form to declare a program of study after the program's first course. Receiving Program Approval ensures that BCIT is aware of the student's intent to complete a program as it's currently outlined. Program Approval also enables students to request changes to the prescribed program and guarantees credit for courses that are part of the program will be honoured despite changes in program requirements.

**ATTEMPTS:** Students must successfully complete a course within a maximum of three attempts at the course. Course withdrawals (W), Late Withdrawals (LW), Course Abandonment (V), Prior Learning Assessment Recognition (PLAR), and course failures are recorded as an attempt 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 may not be eligible to graduate from the appropriate program.

**BCIT STUDENT REGULATIONS POLICY:** For information relating to BCIT Student Regulations policies please refer to Policy 5002 available for viewing at <http://www.bcit.ca/files/pdf/policies/5002.pdf>

**Schedule:**

Week	Outcome/Material Covered	Reference/ Reading	Hand In - Assignment Problems	page	Lyryx Labs	Due Date
1	Internal Controls and Cash	Chapter 9 & Appendix 9A	Questions 3 and 6 Exercise 9-1 Problem 9-3A Problem 9-8A A & R 9-2	488 490 496 502 514	Lab 9.3	Class 2
2	Receivables	Chapter 10 & Appendix 10A and 10B	Problem 10-4A Problem 10-7A Problem 10-14A	555 556 559	Lab 10.2	Class 3
3	Current Liabilities and Payroll Accounting  Start Long-Term Liabilities	Chapter s 11 and 13  Chapter 17	Questions 5 Problem 11-1A Problem 11-3A  Questions 2, 4 Exercise 13-13 Problem 13-2A	592 597 598  698 704 706	Lab 13.2	Class 4
4	Bonds and Long Term Liabilities	Chapter 17 and Appendix 17A and 17B	Questions 3, 8, 11, 14 Exercise 17-21 Problem 17-1A Exercise 17-15 Exercise 17-26 Problem 17-11A Problem 17-12A- requirements 1,3,4	902 911 915 911 914 919 919	Lab 17.2	Class 5

Week	Outcome/Material Covered	Reference/ Reading	Hand In - Assignment Problems	page	Lyryx Labs	Due Date
5	Capital Assets and Goodwill.	Chapter 12 and Appendix 12A	Questions 1, 3 Problem 12-8A Problem 12-12A Exercise 12-29 Problem 12-14A Problem 12-18A	648 660 661 657 662 663	Lab 12.2 Lab 12.5	Class 6
6	Partnerships	Chapter 14	Questions 5, 8 Problem 14-2A Problem 14-6A Problem A&R 14-1	740 747 748 752	Lab 14.2	Class 8
7	<b>MIDTERM EXAM</b> Chapters 9, 10,11, 12, 13, and 17	<b>Lyryx Labs</b> <b>Chapter 9 – 13 and</b> <b>17 due</b>				
8	Organization and Operation of Corporations	Chapter 15 and Appendixes 15A	Problem 15-5A Problem 15-7A Problem 15-10A	799 801 803	Lab 15.3	Class 9
9	Corporation Reporting: Income, Earnings Per Share, and Retained Earnings	Chapter 16 and Appendixes 16A	Exercise 16-13 Problem 16-4A Problem 16-8A	847 851 853	Lab 16.2	Class 10

Week	Outcome/Material Covered	Reference/ Reading	Hand In - Assignment Problems	page	Lyryx Labs	Due Date
10	Accounting for Investments, and International Operations, Consolidations	Chapter 18 and Appendixes 18A	Questions 1, 3, 9 Exercises 18-13 Problem 18-5A Problem 18-7A-part B	954 959 962 964	<b>Lab 18.2</b>	Class 11
11	Reporting and Analyzing Cash Flows	Chapter 19 and Appendix 19A	Questions 12, 18 Problem 19-3A Problem 19-9A	1006 1019 1013	none	Class 12
12	Analyzing Financial Statements	Chapter 20	Questions 5, 6, 8, 10, 11, 13 Exercise 20-18 Problem 20-3A	1071 1071 1077 1079	<b>Lab 20.2</b>	In Class
13	<b>FINAL EXAM</b> Chapters 14, 15, 16, 18, 19 and 20	<b>Lyryx Labs Chapter 14 – 20 due</b>				

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. It is also recommended that students try various LYRYX labs that are not required. This additional work will help you learn the material and prepare you for the exams.



## LIFA – Lyryx Interactive Financial Accounting

### FMGT 1100 and 2100 - Accounting 1 and 2

Following are the recommended instructions for accessing and using LIFA - Lyryx Interactive Financial Accounting. Please read carefully!

**DO NOT** throw your pin code away. When you purchase the Larson course package at the bookstore, you will find a pin code within that grants access to the web-based product, LIFA. If you have purchased the 2 Volume course package for both terms – FMGT 1100/2100 or FMGT 1105/2105 – keep the pin code for registration for the following term. Your pin code remains the same for Levels 1 and 2 of Accounting.

If you have purchased the one term only option from the bookstore – Volume 1 with the LIFA pin code – then your access is limited to the term you are currently enrolled in. If you take the second course offered and opt to purchase the Volume 2 package later, then you will also purchase the pin code for Level 2 at that time.

Please ensure that you register into the correct section. Do not register until you are positive of your section. If you purchase the two term package, you will receive one free re-registration which is required to register into the second level. If you register into the wrong section in the first level and need to re-register, you use up that free registration and will have to pay a fee to the Lyryx Company in order to register for the next level. In addition, you use up that one free registration option if you fail Level 1 and must re-register.

Go to the LIFA site at <http://lifa.lyryx.com> and read the section on “System Requirements”. Ensure that your system is properly configured to run LIFA by utilizing the “system check option”. You may need to download Java Virtual Machine or other plug-ins to run LIFA properly. These are free downloads listed in the “System Requirements” section.

Before starting, read the “Introduction” section carefully, as there are several important points about the functions of LIFA that are essential for your success. If you make the time to learn the material within, LIFA is a powerful learning tool that offers a learning advantage in your accounting principles courses.

## **Financial Management Technology Accounting 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.

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.