



A POLYTECHNIC INSTITUTION

School of Business

Program: Financial Management

Option: Accounting Degree

FMGT 8120
Accounting Theory

Start Date:	September 2002	End Date:	December 2002
Total Hours:	45	Total Weeks:	15
Hours/Week:	45	Lecture:	3
		Lab:	0
		Term/Level:	Deg
		Course Credits:	3
		Shop:	
		Seminar:	
		Other:	

Prerequisites

Course No.	Course Name
FMGT 7121	Advanced Accounting
FMGT 7120	Advanced Accounting

FMGT 8120 is a Prerequisite for:

Course No.	Course Name
FMGT 8910	Integrative Business Management Practices

■ Course Description (required)

This course reviews the history of accounting and the theories underlying current accounting practice. Alternative theories and methods are critically assessed and possible future directions evaluated.

■ Detailed Course Description (optional)

- Understand the historical underpinning of accounting practice.
- Develop a general framework for understanding the discipline of accounting.
- Assess the responsiveness of current accounting practice to the economic environment.
- Assess the current process for setting accounting policy.
- Criticize current methods of income determination.
- To review the state of the accounting profession in Canada and consider future directions that might be adopted.
- Develop team building, leadership, and communication skills.

■ Evaluation

Term Project	10%	Comments:
Group Research & Presentations	20%	
Mid-term examination #1	30%	
Mid-term examination #2	40%	
TOTAL	100%	

■ Course Learning Outcomes/Competencies

Upon successful completion, the student will be able to:

1. Explain the structure and methodology of accounting.
2. Interpret the history of accounting.
3. Analyze the nature of accounting principles.
4. Research the standard setting process in Canada and the USA.

5. Describe the cash flow theory and contrast and compare income concepts and related issues.
6. Prepare price level adjusted financial statements.
7. Evaluate current reporting of items in the Statement of Cash Flows.
8. Evaluate the theoretical issue underlying deferred taxes and pension accounting.
9. Develop a consistent theory of ownership equity and an appropriate policy for financial statement disclosure.
10. Relate the nature of international business activity to the accounting process with emphasis on the Pacific Rim region.

■ **Verification**

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

Tim Edwards, Dipl. T, MBA, CMA

Authoring Instructor

August 31, 2002

Date

I verify that this course outline has been reviewed.

Allan Cobbett

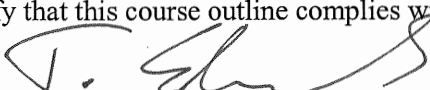


Program Head/Chief Instructor

September 3 / 02

Date

I verify that this course outline complies with BCIT policy.



Dean/Associate Dean

Sept 3 / 02

Date

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

■ Instructor(s)

Tim Edwards	Office Location: SE 6 370E	Office Phone: 604-432-8898 (Office) 604-944-1887 (Home)
	Office Hrs.: As posted	E-mail Address: Tim_Edwards@bcit.ca

■ Learning Resources

Required:

Van Breda and Hendricksen. Accounting Theory. Fifth Edition. Richard D. Irwin.
Canadian National 2001 Annual Report.

Recommended:

CICA Handbook. (Accounting Recommendations)
Internet Access

■ Information for Students

I.D. Required In Exam Halls: Effective December 2000, students will be required to produce photo-identification for admittance to examination halls. Photo I.D. must be placed 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. Please see BCIT Policy #5300, Formal Invigilation Procedures.

Attendance: If a student is absent for any cause, other than illness (Dr's note may be required); for more than 10% of the time prescribed for the course, the student may be prohibited from completing the course. Please see BCIT Policy #5201, Attendance.

Assignments: Late assignments, lab reports or projects will **not** be accepted for marking. Assignments must be done on an individual basis unless otherwise specified by the instructor.

Makeup Tests, Exams or Quizzes: There will be **no** makeup tests, exams or quizzes. If you miss a test, exam or quiz, you will receive zero marks. Exceptions may be made for **documented** medical reasons or extenuating circumstances. In such a case, it is the responsibility of the student to inform the instructor **immediately**.

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.

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.

Attempts: Students must successfully complete a course within a maximum of three attempts 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 will not be eligible to graduate from the appropriate program.

Course Outline Changes: The material or schedule specified in this course outline may be changed by the instructor. If changes are required, they will be announced in class.

Schedule

Week of/ Number	Outcome/Material Covered	Text	Reference
		H*	CICA * Sec
1	Introduction to FMGT 8120		
2	Introduction to Accounting Theory, History of Accounting	1 – 3	
3	Decision Making, Setting Accounting Policy	7, 8	1500-1508
4	The Conceptual Framework	4, 5	1000
5	Economic Environment	6	
6	Capital and Income	9, 10	1510-1520, 3475-3610
7	Revenues, Expenses, Price Level Changes	11, 12	3400
8	Mid-term examination # 1 - 2 hours	1-12	
9	The Balance Sheet, Asset Valuation	13, 14	1540, 3060
10	Current Assets, Intangibles, Non- current Investments	16, 18	3000-3050, 3450
11	Capital Assets, Plant and Equipment	15, 17	3060-3065
12	Liabilities and Deferred Taxes	19, 20	3210-3290, 3465, 3470
13	Pensions Ownership Equities	21, 22	3240-3260, 3460-3461, 4100
14	Equity Changes, Financial Statement Disclosure	23, 24	3840, 3850- 3860
15	Mid-term examination # 2 - 2 ½ hours	13-24	

* H = Hendricksen Text
CICA = CICA Handbook

Assignment Schedule
FMGT 8120
Accounting Theory

Schedule

Assignment #	Due Week #	Group Research & Presentations, Individual Term Project	Text Reference
1	3	History of Accounting and Accounting Standards	Chapter 2, 8
2	7	Price Level Changes	Chapter 12
	8	Mid-term examination # 1	Chapters 1-12
3	11	Capital Assets	Chapters 15, 17
4	13	Individual Term Project	
5	14	Financial Statement Disclosure	Chapter 24
	15	Mid-term examination # 2	Chapters 13-24

Note:

1. Individual Term Projects are due week 13.
2. Presentations will be carried out the week of the related lecture. Text versions of the presentations are to be handed in to the instructor that evening.
3. For those students participating in the preparation of the group research and presentations, but are unable to attend the presentation itself, will forfeit one half of the marks of that presentation.
4. All individual term projects and presentations handed in, shall be done on a personal computer. No hand written work will be accepted.
5. No late work will be accepted.