

**UNIVERSITY OF ALBERTA
SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING, OPERATIONS & INFORMATION
SYSTEMS**

**Accounting 412, Section A1
Term I, 2016/2017
Course Outline**

Instructor: Jocelyn King
Office: BUS 1-27A
Phone No.: 492-4611
E-mail: Jocelyn.king@ualberta.ca
Office Hours:

Class Time and Place:
MW 2:00 -3:20 pm
Bus 1-10

TR12:30 pm-1:50 pm or by appointment

Overview

This course is aimed at non-accounting majors who would like to build on the accounting knowledge developed in Accounting 311. The course is as useful as a stand-alone course, and as a companion course for students taking Accounting 432 (Financial Statement Analysis). You may not take this course for credit if you have credit for Accounting 414.

After completing the course, you should have a working knowledge of most items contained in public financial statements. In order to accomplish this objective, we need to cover a lot of ground. With each topic, we will focus first on understanding the basic accounting involved in the topic, and then on how you can use information in the annual report in order to evaluate the company. To get the most out of the course, you should do the readings and suggested problems before coming to class.

The structure of the course is a combination of lecture, problem solving, and casework. End-of-chapter problems and additional problem material have been identified to help you learn how to apply concepts and work with the double-entry system. The problems and cases are broken down into two groups: 1) those that will be discussed in class, and 2) those that are recommended for self-study. You should attempt all of these problems. Solutions to self-study problems from are posted to the course homepage under the "Assignments" tab. Solutions to discussion materials will be available only in class.

Materials

Course lecture notes are posted to the course homepage under the "Course Documents" tab.

E-mail

I will reply to e-mail enquiries within two working days. Messages will be read and answered only if they are sent from a University of Alberta address. If your question requires a long or involved answer, I reserve the right to ask you to come to my office rather than attempting an explanation via e-mail.

Learning objectives

This course incorporates the Learning Goals of the BCom Program, in particular Critical Thinking, Ethical Awareness and Quantitative Skills.

At the end of this course, you will have developed the following course specific skills or knowledge:

- Describe what generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS) are and how to apply them.
- Explain the application of the basic principles of accounting.
- Read, use and analyze financial statements, including explaining the uses and limitations of an income statement, statement of cash flows and statement of financial position
- Apply the standard for revenue recognition to different situations.
- Explain accounting issues related to the recognition, valuation, and disposition of accounts receivable.
- Determine the amount and prepare the required entries relating to the accounts receivable, allowance for doubtful accounts, write off of bad debts and recovery of amounts previously written off.
- Identify items that are included as inventory cost.
- Demonstrate the application of lower of cost and net realizable value.
- Apply the appropriate accounting treatment for short-term and long-term investments.
- Identify the acquisition costs of land, buildings, and equipment.
- Explain the accounting issues related to asset impairment.
- Calculate amount and prepare the entries to record an asset impairment.
- Describe the characteristics of intangible assets.
- Apply the procedure for valuing and amortizing intangible assets.
- Understand the accounting related to the long-term liabilities and shareholders' equity sections of the balance sheet.
- Calculate basic and diluted earnings per share (EPS).
- Understand the accounting for income taxes.
- Complete a pension worksheet and journal entries.
- Understand the accounting for various types of leases.

The Evaluation System

There will be two midterms and a final examination:

Midterm 1	20%
Midterm 2	30%
Final Exam	<u>50%</u>
	<u>100%</u>

Each of these assessments measures your critical thinking ability, ethical awareness and quantitative skills.

Final grading in this class is done on the basis of individual student achievement of the course and program outcomes.

Percentage grades will be converted to letter grades as follows:

<u>Percentage Grade</u>	<u>Letter Grade</u>
95%+	A+
90%-94%	A
85%-89%	A-
80%-84%	B+
75%-79%	B
70%-74%	B-
65%-69%	C+
60%-64%	C
56%-59%	C-
53%-55%	D+
50%-52%	D
<50%	F

People below these cutoffs may receive the higher scale score; however, this will be at my discretion. Please note that students wishing to register in Accounting 415 must obtain a minimum grade of C- in ACCTG 412.

If you have concerns about grading, I will re-grade your work. Students should review the marking carefully and bring to my attention any questions about their marks as soon as possible. No re-marking requests will be accepted more than one week after the results have been made available. All appeals must be in writing and the original copy must be attached. Exams submitted for appeal may be subject to an entire review. This may result in your grade being lowered.

Absences from Exams

If you are absent from a midterm exam for an acceptable reason (illness or family emergency) you are required to send an email to me within a week informing me that you were unable to attend the midterm and explaining the nature of your difficulty. I may, at my discretion, require proof supporting your stated reason for missing the midterm, either in the form of a statutory declaration or other

supporting documentation. I follow the policy of sending all requests for deferral to the undergraduate office. In the event that the midterm examination is missed for an acceptable reason, no make-up will be given. Instead, the credit assigned to the mid-term will be reallocated to the final.

If you miss a midterm exam, you will be required to do complete additional questions on your final exam covering the material for the missed midterm.

Once you have written an exam, grades will not be reallocated due to explanations given after the fact.

Absence from Final examination

Section 23.3(2) and 23.5.6 (1) of the Calendar provides the University Regulations regarding procedures in the case of a missed final examination. If a deferred final exam is required for this course, it will be held on **Friday, January 13, 2017 at 10:00 am.**

Academic Integrity

The University of Alberta is committed to the highest standards of academic integrity and honesty. Students are expected to be familiar with these standards regarding academic honesty and to uphold the policies of the University in this respect. Students are particularly urged to familiarize themselves with the provisions of the Code of Student Behaviour (online at www.uofaweb.ualberta.ca/secretariat/studentappeals.cfm) and avoid any behaviour that could potentially result in suspicions of cheating, plagiarism, misrepresentation of facts and/or participation in an offence. Academic dishonesty is a serious offence and can result in suspension or expulsion from the University.

Etiquette

Certain types of behaviour are distracting both to the instructor and to your fellow students. Therefore, I ask that you:

1. Arrive on time for class and stay until class is over.
2. Refrain from using personal communication or entertainment devices in class.
3. Not engage in conversations with your fellow students.
4. Turn off your cell phone.

Schedule of Topic Coverage

<u>Date</u>	<u>Topic</u>	<u>Readings and Problems</u>
Sept. 7	01 The Financial Reporting Environment	Course Notes "The Financial Reporting Environment"
Sept. 12	02 Accrual Accounting/ 03 Income Statement /Comprehensive Income	Course notes "Accrual Accounting", "Statements of Income, Comprehensive Income, and Shareholders' Equity"; and Article: <i>Never Say Never</i> , by J. Douglas Hanna, CA Magazine August 1999, posted on Ulearn. For discussion: Accrual Accounting problems 2 and 3 For self-study: Accrual Accounting problem 1
Sept. 14	03 The Income Statement/ comprehensive Income/ 04Revenue Recognition	Course Notes, "Revenue Recognition", For discussion: Revenue Recognition problems 1, 2 and 3
Sept. 19	04Revenue Recognition	Course notes "Revenue Recognition", For discussion: Revenue Recognition problem 4 For self-study: Revenue Recognition problem 5
Sept. 21	05 Cash Flow Statement	Course notes: "The Statement of Cash Flows" For self-study: Statement of Cash Flows problems 1 and 2
Sept. 26	05 Cash Flow Statement	For discussion: Statement of Cash Flows problems 3, 4, and 5
Sept. 28	06 Accounts Receivable	Course notes "Receivables" For discussion: Receivables problems 1, 3, and 5 For self-study: Receivables problems 2 and 4
Oct. 3	07 Inventory	Course notes "Inventory" For discussion: Inventory problems 2 and 5 For self-study: Inventory problems 1, 3, and 4
Oct. 5	MIDTERM 1	Topics 1-6

<u>Date</u>	<u>Topic</u>	<u>Readings and Problems</u>
Oct. 10	THANKSGIVING	No Classes
Oct. 12	08 Capital Assets	Course notes "Capital Assets" For discussion: Capital Assets problems 3, 4, and 5 For self-study: Capital Assets problems 1 and 2
Oct. 17	08 Capital Assets/ 09 Impairment	Course notes "Impairment" For discussion: Capital Assets problem 7 For self-study: Capital Assets problem 6
Oct. 19	10 Investments in Equity Securities	Course Notes "Investments in Equity Securities" For discussion: Investments in Equity Securities problem 2 For self-study: Investments in Equity Securities problem 1
Oct. 24	10 Investments in Equity Securities	For discussion: Investments in Equity Securities problems 3 and 6 For self-study: Investments in Equity Securities problems 4 and 5
Oct. 26	11 Financial Liabilities	Course notes: "Financial Liabilities" For self-study: Financial Liabilities Problems 1 and 2
Oct. 31	11 Financial Liabilities	For discussion: Financial Liabilities problems 3 and 4 For self-study: Financial Liabilities problem 5
Nov. 2	12 Leases	Course notes "Leases" For discussion: Lease problem 3 For self-study: Lease problems 1 and 2
Nov. 7-11	FALL BREAK	No Classes
Nov. 14	MIDTERM 2	Topics 7-11
Nov. 16	12 Leases	For discussion: Lease problems 4 and 5

<u>Date</u>	<u>Topic</u>	<u>Readings and Problems</u>
Nov. 21	13 Employee Future Benefits	Course notes "Employee Future Benefits" For self-study: Employee Future Benefits problems 1 and 2 For discussion: Employee Future Benefits problems 3 and 4
Nov. 23	14 Income Tax Reporting	Course notes "Accounting for Income Taxes" For discussion: Income Taxes problems 3 and 4 For self-study: Income Taxes problems 1 and 2
Nov. 28	14 Income Tax Reporting	Course notes "Income Taxes" For discussion: Income Taxes problems 5 and 7 For self-study: Income Taxes problem 6
Nov. 30	15 Owners' Equity	Course notes "Owners' Equity" For discussion: Owners' Equity problems 1 and 2 For self-study: Owners' Equity problem 3
Dec. 5	15 Owners' Equity	Course notes "Owners' Equity" For discussion: Owners' Equity problems 4 and 6 For self-study: Owners' Equity problem 5
Dec. 7	Catch-up if necessary FINAL EXAM REVIEW	Topics 12-15
FINAL EXAM: Monday December 19, 2016 2:00 pm – 4:00 pm, (Note: 2 pm – 5 pm for students who missed a midterm)		
DEFERRED FINAL EXAM: Friday January 13, 2017 10:00 am – noon (10 am – 1 pm for students who missed a midterm)		