

ALLIANCE UNIVERSITY COLLEGE



NAZARENE UNIVERSITY COLLEGE

BUS 200 *Introduction to Financial Accounting* (3 credit hours) Fall 2006

Class Schedule:

Tuesday & Thursdays 11:15AM – 12:30PM
Class Location: Room 631

Instructor Information:

David Adams, BBA, MBA, CA, CPA, CMA (Hon.)
Office: Room 641
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Course Description:

BUS 200 “focuses on the accounting concepts and procedures involved in recording and reporting the organization and operation of business corporations. In addition to accounting principles, students also learn how to read and interpret financial statements.” The course will first focus on the conceptual framework, then on the technical application of Canadian accounting standards used in the preparation of general purpose financial statements of profit oriented corporations, and finally on how those statements are analysed and used within a decision-making context. Accordingly, the objectives of the course are to develop:

- a basic understanding of the international economic and social developments affecting the Canadian financial accounting environment,
- a basic understanding of the conceptual framework supporting the evolution of Canadian generally accepted accounting principles (GAAP),
- a basic level of technical competence in applying GAAP with respect to the preparation of financial statements, and
- a basic level of technical competence in analysing and using financial statements to support the business decision-making process.

Required Textbook:

Financial Accounting: Tools for Business Decision-Making, Third Canadian Edition, Kimmel, Weygandt, Kieso, Trenholm, 2006.

Attendance:

Students are expected not only to attend class but also to participate in class discussions and in the review of in-class problem material. A portion of the grade for the course is allocated to class participation.

Course Requirements:

Classes will include lectures, discussion of issues, and review of exercises and problems. Achievement will be enhanced by attending class, studying the lecture notes and textbook, completing recommended exercises and problems, participating in discussions and seeking assistance from the instructor when required.

The class tests and final exam will be designed to test the conceptual understanding and procedural application of the material covered during the course, and will be patterned after the in-class and assigned exercises and problems. The following is a summary of all evaluation methods and relative weights for the course:

Evaluation Method	Weight	Date	Material/Due Date
Class Test # 1	20%	Thursday, Oct. 5	Chapters 1 – 6
Class Test # 2	20%	Tuesday, Nov. 14	Chapters 7 – 11
Project – Chp. 14	10%	Assigned Nov. 16	Due Dec. 7
Particip./Assignments	15%	Assigned Weekly	TBA
Final exam	35%	TBA	Chapters 1 – 14

Examinations:

Final examinations are held during a scheduled time at the end of the semester for regular semester classes and are scheduled by the Registrar. Graded final examinations will be available for supervised review at the request of the student.

Grading Scale:

The available letters for course grades are as follows:

<u>% Grade</u>	<u>Letter Grade</u>	<u>Description</u>
95% to 100%	A+	
90% to 94%	A	Excellent
85% to 89%	A-	
80% to 84%	B+	
76% to 79%	B	Good
72% to 75%	B-	
68% to 71%	C+	
64% to 67%	C	Satisfactory
60% to 63%	C-	
55% to 59%	D+	
50% to 54%	D	Minimal Pass
0% to 49%	F	Failure

Other Information:

Students, who are unable to write a class test, will have its weighting added to that of the final exam, provided they have a valid reason supported with proper documentation; otherwise, they will receive a mark of zero.

It is the responsibility of all students to become familiar with and adhere to the academic policies as stated in the current Student Handbook and Academic Calendar. In particular, students are to note academic regulation #34 - Academic Dishonesty.

Summary of Material to be Covered:

Chapter 1 Introduction to Financial Statements

- purpose of financial accounting and financial statements
- elements of financial statements
- recognition and measurement criteria
- forms of business organization
- financial statement assumptions, principles and constraints

Chapter 2 A Further Look at Financial Statements

- introduction to conceptual framework
- transaction recording
- purpose and format of the balance sheet
- cash flow statement investing and financing transactions

Chapter 3 The Accounting Information System

- purpose and format of the income statement
- cash flow statement operating transactions

Chapter 4 Accrual Accounting Concepts

- adjusting and closing entries
- summary of the accounting cycle
- purpose and format of the statement of retained earnings

Chapter 5 Merchandising Operations

- merchandising transaction recording
- purpose and format of the multiple-step income statement

Chapter 6 Reporting and Analyzing Inventory

- perpetual inventory system
- cost flow assumptions
- write-downs

Chapter 7 Internal Control and Cash

- internal control of cash

- bank reconciliation
- cash budgeting

Chapter 8 Reporting and Analyzing Receivables

- recognition and valuation of accounts receivable
- interest on notes receivable

Chapter 9 Reporting and Analysing Long-Lived Assets

- cost of property, plant and equipment
- amortization methods
- disposition
- intangible assets

Chapter 10 Reporting and Analysing Liabilities

- current liabilities
- bonds payable
 - premium and discount amortization
- mortgages

Chapter 11 Reporting and Analyzing Shareholders' Equity

- common and preferred stock
- retained earnings and dividends

Chapter 12 Reporting and Analysing Investments

- temporary debt investments
- temporary equity investments
- long term debt investments
- long term equity investments
 - not significantly influenced
 - significantly influenced
 - controlled
 - joint venture

Chapter 13 Cash Flow Statement

- purpose and format
- direct and indirect methods of preparation
- cash flow statement analysis

Chapter 14 Performance Measurement

- interpretation of extraordinary items and discontinued operations
- accounting policy changes
- financial statement analysis
 - vertical and horizontal
 - ratio

Tentative Weekly Schedule:

Week # 1	September 7	Chapter 1
Week # 2	September 12/14	Chapters 2 and 3
Week # 3	September 19/21	Chapters 4 and 5 (incl. Appendix)
Week # 4	September 26	No class (Community Day)
Week # 4	September 28	Chapter 6 and appendix 6A
Week # 5	October 3	Review
Week # 5	October 5	Class Test #1
Week # 6	October 10/12	Chapters 7 and 8
Week # 7	October 17/19	Chapter 9 and appendix 9A
Week # 8	October 24	Chapter 10 and appendix 10A
Week # 8	October 26	No class (Community Days)
Week # 9	Oct 31/Nov 2	Chapter 10 & Chapter 11
Week # 10	November 7	Review
Week # 10	November 9	No Class – Mid Semester Break
Week # 11	November 14	Class Test # 2
Week # 11	November 16	Chapter 14
Week # 12	November 21	Chapter 14 and appendices 14 A & 14 B
Week # 12	November 23	Chapter 12
Week # 13	November 28/30	Chapter 12 & Chapter 13
Week # 14	December 5/7	Chapter 13
Week # 15	December 12	Review

Exercises and Problems:

Chapter	In-Class Exercises	In-Class Problems	Assignment
1	E1-3, E1-4	P1-6A, P1-8A	P1-6B
2	E2-2, E2-3	P2-5A, BYP2-9	P2-5B
3	E3-2, E3-8, E3-9	P3-7A, P3-8A, BYP3-7	P3-7B
4	E4-1, E4-2, E4-5,	P4-1A, P4-5A, P4-7A	P4-7B
5 & 5A	E5-4, E5-7, E5-11	P5-3A, P5-7A	P5-3B
6 & 6A	E6-1, E6-2, E6-4	P6-1A, P6-6A, P6-11A	P6-2B, P6-6B
7	E7-3	P7-5A, P7-6A, P7-10A	P7-7B
8	E8-5, E8-12	P8-2A, P8-4A, P8-6A	P8-5B
9 & 9A	E9-1, E9-2, E9-6, E9-11	P9-1A, P9-3A, P9-6A	P9-3B, P9-6B
10, 10A	E10-1, E10-2, E10-6, E10-7, E10-14	P10-2A, P10-6A, P10- 12A	P10-13B
11	E11-2, E11-5, E11-7	P11-1A, P11-6A, P11- 7A	P11-6B
12	E12-1, E12-6, E12-7, E12-8	P12-3A, P12-5A, P12- 6A	P12-6B
13	E13-12	P13-4A, P13-6A, P13- 7A	P13-7B
14, 14A	E14-1, E14-5	P14-8A, P14-10A P14- 12A	None – project instead