

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Outline: ACCOUNTING IV

Code No.: ACC 203

Program: ACCOUNTING

Semester: FOURTH

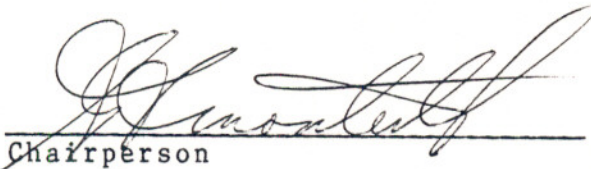
Date: September 1985

Author: B. CAMPBELL

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APPROVED:


Chairperson

85-06-11
Date

ACCOUNTING IV

ACC 203

Course Name

Course Number

PHILOSOPHY/GOALS:

To provide an in-depth study of the treatment of assets and complex capital structures of a corporation. Special emphasis will be placed on regulations under The Canada Business Corporations Act and The Ontario Securities Act.

METHOD OF ASSESSMENT:

The term mark (50% of the final grade) will be based on four tests. A final examination will be given. The final grade will be based on the following:

80% and over	-	A
70% - 79%	-	B
55% - 69%	-	C
40% - 54%	-	I
BELOW 40%	-	R

Students with an "I" (incomplete) grade will be given the opportunity to w a supplementary examination.

TEXTBOOK(S):

Intermediate Accounting - 4th Canadian Edition
Moisch, Larsen, Lam, Johnston

WEEKS	UNIT	TOPICS
1 - 4	1	<u>Inventories</u> a) types and categories of inventories b) the periodic and perpetual inventory systems c) items to be included in inventory costs d) the various methods of costing inventories e) the procedures for costing uncompleted contracts f) journal entries for recording inventory values under 1) the periodic system 2) the perpetual system 3) the percentage of completion method for long-term contracts 4) the completed contract method for long-term contracts g) the effect of errors in inventory valuation on income determination h) the gross profit and retail methods of estimating inventory i) inventory valuation at market or cost j) inventory valuations of trade-ins and repossession k) the balance sheet treatment of various inventory types TEST <u>Long-Term Assets - Land, Buildings and Equipment</u>
5 - 8	2	a) the distinction between capital and revenue expenditures

WEEKS	UNIT	TOPICS
		b) acquisition of property by <ol style="list-style-type: none">1) a long-term contract2) exchange of non-monetary assets3) self construction
		c) special problems associated with purchase of long-term assets.
		d) ordinary repairs, extraordinary repairs and betterments
		e) property retirements
		f) co-insurance clause in fire insurance policies
		g) review of methods of depreciation
		h) review of four use factors for estimating depreciation
		i) group and composite methods for allocating the costs of depreciable assets
		j) capital cost allowance for income tax purposes
		k) property record maintenance
		l) wasting assets and depletion

TEST

9 - 12

Long-Term Assets - Investments and Intangible Assets

- a) maintaining a portfolio of long-term investments
- b) the purpose and nature of long-term investments
- c) the balance sheet presentation of investments

WEEKS	UNIT	TOPICS
		<ul style="list-style-type: none">d) journal entries in recording investment related transactions under<ul style="list-style-type: none">1) the cost method2) the equity methode) the accounting treatment of liquidating and property dividendsf) the accounting procedures for recording stock rightsg) long-term investment in fundsh) cash surrender value of insurance policiesi) intangible asset valuationj) the accounting treatment of research and development costsk) the premise for determining the amount of goodwilll) the balance sheet treatment of intangible assets
		TEST
13-16	4	<u>Corporations - Shareholder's Equity</u> <ul style="list-style-type: none">a) articles of incorporation as required under<ul style="list-style-type: none">1) The Canada Business Corporations Act2) The Ontario Business Corporations Actb) securities regulation statute guidelinesc) types of share capitald) characteristics and conditions frequently added to preferred share capital

WEEKS	UNIT	TOPICS	TOPICS	UNIT	WEEKS
		e) subscriptions and calls and accounting treatment of subscription defaults			
		f) incorporation of a proprietorship or a partnership			
		g) the reacquisition and retirement of shares			
		h) the purpose, accounting treatment, and balance sheet presentation of treasury shares			
		i) items included in the statement of retained earnings			
		j) stock right and options issued to			
		1) existing shareholders			
		2) employees			
		k) scrip dividends, property dividends, stock dividends			
		l) appropriations of retained earnings			
		m) calculating book value and earnings per share			
		n) calculating earnings per share for complex capital structures			
		o) the presentation of earnings per share on the income statement			