

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Outline: ACCOUNTING PRINCIPLES 11
Code No.: ACC 221
Program: ACCOUNTING
Semester: THREE
Date: 98 05 15
Previous Outline Date: 96 08 28
Author: JOHN MITCHELL

APPROVED: Joseph Fumtice
Dean, School of Business and Hospitality

98 06 04
Date

Total Credits: 5
Prerequisite(s): ACC 108
Length of Course: 5 HOURS/WEEK FOR 16 WEEKS

I. COURSE DESCRIPTION:

This course will review and expand on the topics covered in previous accounting courses. A more in-depth understanding of financial statements will be the purpose of the theory for this course. The practical component of this subject will involve hands on lab work with information systems such as the Internet. This will allow the student to work with up to date information concerning organizations.

II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:

Upon successful completion of this course the student will demonstrate the ability to:

1. Illustrate an understanding of the accounting environment in Canada, historical development, generally accepted principles, usefulness and roles in modern business.

Elements of the Performance

- Examine the history of accounting theory
- Relate to the following principles and concepts upon which accounting theory is based:
 - i) Separate Entity Assumption
 - ii) Continuity Assumption
 - iii) Unit of Measure Assumption
 - iv) Limitations of Statement Information
 - v) Roles and Objectives of Financial Reporting
 - vi) Conservatism
 - vii) Other Considerations and Constraints
 - viii) Benefits vs Cost
 - ix) Materiality
 - x) Revenue Principle
 - xi) Matching Principle
 - xii) Full Disclosure
 - xiii) Cost Principle

This learning outcome will constitute approximately 10 % of the course's grade.

2. Demonstrate the accounting process at the intermediate level with emphasis on proper financial reporting to end users.

Elements of the Performance

- describe the information systems and the recording function.
- Illustrate the matching process and various approaches to adjustments
- Demonstrate the closing procedures and reversing entries
- Recognize the timing of income, gains and losses

This learning outcome will constitute 15% of the course's grade.

3. Display a deeper understanding of the main financial statements and related issues of importance to maintain public confidence in the accounting product.

Elements of the Performance:

- recognize and prepare multiple step and single step income statements
- realize the treatment of non-operating income and expenses and unusual items
- calculate earnings per share
- demonstrate accounting for the correction of errors: changes in accounting principles; and prior period adjustments
- identify a combined statement of income and retained earnings
- realize the significance of disclosure and draft notes to financial statements
- identify and classify major balance sheet items and prepare a classified balance sheet
- determine the methods of preparation of the Statement of Changes in Financial Position

This learning outcome will constitute 25% of the course's grade.

4. Demonstrate an understanding of the analysis of financial statements

Elements of the Performance:

- explain the relationship between financial reporting and general purpose financial statements
- describe, prepare, and interpret comparative financial statements and common-size comparative statements.
- calculate and explain the interpretation of the ratios, turnovers, and rates of return used to evaluate short-term liquidity, long-term risk and capital structure, and operating efficiency and profitability.
- state the limitations associated with using financial statement ratios and analysis.

This learning outcome will constitute 20% of the course's grade.

5. Identify issues of importance in controlling cash and receivables and be able to problem solve situations involving these components.

Elements of the Performance

- demonstrate the guidelines for the control of cash
- display recordkeeping for petty cash funds
- perform bank reconciliation
- determine receivable balances
- estimate uncollectible accounts
- value notes receivable
- account for the discounting of notes
- account for financing with receivables
- present receivables on the balance sheet

This learning outcome will constitute 15% of the course's grade

6. Demonstrate the use of the Internet to gather current information on financial data and accounting procedures

Elements of the Performance

- examine the history of the Internet and WWW sites
- understand terminology of the Internet
- illustrate current search engines
- identify WWW sites related to financial data
- identify WWW sites related to accounting procedures
- identify WWW sites related to other accounting related subjects

This learning outcome will constitute 15% of the course's grade.

III. TOPICS TO BE COVERED:

1. Introduction and historical development of financial accounting and reporting
2. Generally accepted accounting principles and the elements of financial statements
3. An advanced and expanded review of the accounting process
4. The Income Statement and the Statement of Retained Earnings
5. The Balance Sheet and Statement of Changes in Financial Position
6. A detailed look at Cash and Receivable topics
7. Hands on lab work using the Internet

IV. REQUIRED RESOURCE/TEXT/MATERIALS:

Text; Intermediate Accounting, 7th Canadian Edition
Nelson, Conrod

V. EVALUATION PROCESS/GRADING SYSTEM:

The final grade will be based on term work of three term tests on the theory portion of the course and a number of lab assignments as follows:

Test #1	Learning outcome 1 & 2	25%
Test #2	Learning outcome 3	25%
Test #3	Learning outcome 4	20%
Test #4	Learning outcome 5	15%
Lab Assignments	Learning outcome 6	15%
Grand Total		100%

An optional final exam will be made available at the end of the semester for those that have missed or failed one of the term tests. The final exam will cover all of the course material. The student must have completed all assignments and attended classes regularly in order to be eligible to write this exam.

Grades will be assigned as follows:

90-100%	A+	Consistency Outstanding
80-89%	A	Outstanding
70-79%	B	Above Average
60-69%	C	Satisfactory
Below 60%	R	Repeat

VI. SPECIAL NOTES:

Special Needs

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, learning disabilities), you are encouraged to discuss required accommodations with the professor and/or contact the Special Needs Office, Room E2104, Ext. 493, 717, 491, so that support services can be arranged for you.

Plagiarism

Students should refer to the definition of “academic dishonesty” in the “Statement of Student Rights and Responsibilities.”

Students who engage in “academic dishonesty” will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course, as may be decided by the professor.