

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ONTARIO



Sault College

COURSE OUTLINE

COURSE TITLE: ACCOUNTING PRINCIPLES 11

CODE NO. : ACC 221 **SEMESTER:** THREE

PROGRAM: ACCOUNTING

AUTHOR: JOHN MITCHELL

DATE: SEPT 2001 **PREVIOUS OUTLINE DATED:** SEPT00

APPROVED:

	_____	_____
	DEAN	DATE
TOTAL CREDITS:	5	
PREREQUISITE(S):	ACC 108	
LENGTH OF COURSE:	16 WEEKS	80
	TOTAL CREDIT HOURS:	

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For additional information, please contact Dean Joe Fruchter
School of Business, Hospitality & Natural Resources Programs
(705) 759-2554, Ext.688

Course Name

Code No.**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 and their elements will be the purpose of this course.

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.

Potential 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.

Course Name

Code No.Potential 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.

Potential 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

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

- 4 Identify issues of importance in controlling cash and statement of cash flow

- Potential Elements of the Performance
- Determine the methods of preparation of the Statement of Changes in Financial Position
- Demonstrate the guidelines for the control of cash
- display recordkeeping for petty cash funds
- Perform bank reconciliation

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

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5 Demonstrate a greater understanding of receivables, inventory and current liabilities and be able to problem solve situations involving these and determine the effects on the income statement and balance sheet.

- Potential Elements of the Performance:

- Determine receivable balances
- Estimate uncollectible accounts
- Present receivables on the balance sheet
- Current liabilities identification and treatment on financial statements
- Define the major inventory classifications for merchandising and manufacturing companies.
- Differentiate between the periodic and perpetual inventory systems.
- Identify the units that should be included in inventory.
- Understand the effects of inventory errors on the income statement and balance sheet.
- List and apply the four traditional inventory cost flow assumptions; that are, specific identification, average cost, FIFO (first in, first out), and LIFO (last in, first out).
- Understand the major advantages and disadvantages of the various cost flow assumptions.
- Understand the rationale behind the lower-of-cost-or-market (LCM) inventory method.
- Apply LCM to individual inventory items, groups of inventory items, or total inventory.
- Estimate ending inventory by the gross profit method.
- Understand the general steps of the retail inventory method.

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

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III. TOPICS:

1. Introduction and historical development of financial accounting and reporting
2. Generally accepted accounting principles and the elements of financial statements. An advanced and expanded review of the accounting process
3. The Income Statement, Statement of Retained Earnings and Balance Sheet
4. Detailed look at Cash and the Statement of Cash Flow
5. A detailed look at Cash, Receivable and Current Liabilities topics

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Text; Intermediate Accounting, 1st Edition
Beechy, Conrod

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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	25%
Test #4	Learning outcome 5	25%
Grand Total		100%

A supplementary exam will administered at the end of the semester. A student who fails a test or misses a test during the regular semester qualifies to write the supplementary test. The grade received on the supplementary exam will replace the lowest failed or missed test mark. The supplementary exam is a comprehensive test drawing upon all the material covered during the regular semester.

The following semester grades will be assigned to students in postsecondary courses:

<u>Grade</u>	<u>Definition</u>	<u>Grade Point Equivalent</u>
A+	90 - 100%	4.00
A	80 - 89%	3.75
B	70 - 79%	3.00
C	60 - 69%	2.00
R (Repeat)	59% or below	0.00
CR (Credit)	Credit for diploma requirements has been awarded.	
S	Satisfactory achievement in field placement or non-graded subject areas.	
U	Unsatisfactory achievement in field placement or non-graded subject areas.	
X	A temporary grade. This is used in limited situations with extenuating circumstances giving a student additional time to complete the requirements for a course (see <i>Policies & Procedures Manual - Deferred Grades and Make-up</i>).	
NR	Grade not reported to Registrar's office. This is used to facilitate transcript preparation when, for extenuating circumstances, it has been impossible for the faculty member to report grades.	

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Code No.**VI. SPECIAL NOTES:****Special Needs:**

If you are a student with special needs (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with your instructor and/or the Special Needs office. Visit Room E1204 or call Extension 493, 717, or 491 so that support services can be arranged for you.

Retention of course outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

Course outline amendments:

The Professor reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Substitute course information is available in the Registrar's office.

Plagiarism

Students should refer to the definition of “academic dishonesty” in “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/program, as may be decided by the professor/dean. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, it is the policy of the department to employ a documentation format for referencing source material.

VII. PRIOR LEARNING ASSESSMENT:

Students who wish to apply for advanced credit in the course should consult the instructor. Credit for prior learning will be given upon successful completion of the following:

Course Name

Code No.**VIII. DIRECT CREDIT TRANSFERS:**

Students who wish to apply for direct credit transfer (advanced standing) should obtain a direct credit transfer form from the Dean's secretary. Students will be required to provide a transcript and course outline related to the course in question.