

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ONTARIO



**SAULT
COLLEGE**

COURSE OUTLINE

COURSE TITLE: ACCOUNTING PRINCIPLES II

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

PROGRAM: ACCOUNTING

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INSTRUCTOR: K. Manttari

DATE: June **PREVIOUS OUTLINE DATED:** June
2011 2010
APPROVED: "Penny Perrier" June/11

CHAIR **DATE**

TOTAL CREDITS: 5

PREREQUISITE(S): ACC 108

HOURS/WEEK:

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For additional information, please contact Penny Perrier, Chair
School of Business
(705) 759-2554, ext. 2754

Course Name

Code No.**I. COURSE DESCRIPTION:**

This course will review and expand on the topics covered in previous accounting courses and the transition to an IFRS/ASPE world of accounting. 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, its move to IFRS, financial reporting for public versus private companies, a company's financial reporting objectives, usefulness and roles in modern business.

Potential Elements of the Performance:

- Examine the history of accounting theory
- Determine accounting standards for public and private enterprises
- Describe the objectives and motivations for financial reporting

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

2. Demonstrate the accounting process at the intermediate level with emphasis on profession judgement in the adoption of appropriate accounting policies and procedures by management

Potential Elements of the Performance:

- explain the underlying assumptions of the accounting model
- discuss the qualitative criteria needed to provide useful information
- show how these criteria are used to guide management in adopting accounting policies and making estimates
- identify and explain the principles of generally accepted accounting components
- determine the elements of financial statements and when it is appropriate to recognize them

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

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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:

- describe the nature of income and comprehensive income
- recognize and prepare multiple step and single step income statements
- account properly for asset disposals and restructuring and discontinued operations
- explain the difference between intraperiod tax allocation and interperiod tax allocation
- realize the treatment of non-operating income and expenses and unusual items
- calculate earnings per share
- identify and describe the items that will appear on the Statement of Financial Position
- Classify major items and prepare a classified SFP
- describe the purposes and limitations of this statement
- identify and describe the items that will appear on the Statement of Changes in Equity
- demonstrate accounting for the correction of errors: changes in accounting policies; and prior period error corrections and other changes
- realize the significance of disclosure and draft notes to financial statements

This learning outcome will constitute 35% of the course's grade.

4. Identify issues of importance in understanding and preparing a Statement of Cash Flows

Potential Elements of the Performance

- Describe the purpose of the Statement of Cash Flows
- Identify the classifications of cash flows
- Determine the methods for preparation of the SCF
- Prepare the SFC on the direct and indirect methods

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

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5. Illustrate an understanding of how revenues and expenses from complex and long term earning processes are measured and when they should be recognized.

Potential Elements of the Performance

- define a revenue and an expense
- describe the effects of policies on key financial results
- explain the revenue recognition process and the critical event
- account for various types of revenue generating activities
- account for revenue and losses on long-term contracts
- explain the proper methods to account for expenditures
- describe the definitional approach to expense policy

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

III. TOPICS:

Chapter 1: The Framework for Financial Reporting

Chapter 2: Accounting Judgements

Chapter 3: Statements of Income and Comprehensive Income

Chapter 4: Statements of Financial Position and Changes in Equity; Disclosure Notes

Chapter 5: The Statement of Cash Flow

Chapter 6: Revenue and Expense Recognition

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

Text:

Intermediate Accounting, 5th Edition

Beechy, Conrod ; Volume 1

Reference:

Fundamental Accounting Principles, 13th Canadian Edition, McGraw Hill Publishers Volume II

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V. EVALUATION PROCESS/GRADING SYSTEM:

The final grade will be based upon four term tests as follows:

Test #1	Learning outcome 1 & 2	30%
Test #2	Learning outcome 3	35%
Test #3	Learning outcome 4 & 5	35%
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%	4.00
B	70 - 79%	3.00
C	60 - 69%	2.00
D	50 - 59%	1.00
F (Fail)	49% and 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.	
NR	Grade not reported to Registrar's office.	
W	Student has withdrawn from the course without academic penalty	

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VI. SPECIAL NOTES:Attendance:

Sault College is committed to student success. There is a direct correlation between academic performance and class attendance; therefore, for the benefit of all its constituents, all students are encouraged to attend all of their scheduled learning and evaluation sessions. This implies arriving on time and remaining for the duration of the scheduled session.

VII. COURSE OUTLINE ADDENDUM:

The provisions contained in the addendum located on the portal form part of this course outline.