

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY

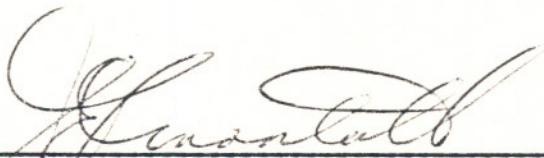
SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Title: ACCOUNTING IV
Code No.: ACC 203
Program: ACCOUNTING
Semester: FOURTH
Date: MAY 1984
Author: B. CAMPBELL

New: X Revision: _____

APPROVED:



Chairperson

84.06.11

Date

CALENDAR DESCRIPTION

ACCOUNTING IV
Course Name

ACC 203
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 and one accounting practice set. 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 write a supplementary examination.

TEXTBOOKS:

Intermediate Accounting
Parker, Simons, Smith & Skousen

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 repossessions 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
		<ul style="list-style-type: none">b) acquisition of property by<ul style="list-style-type: none">(1) a long-term contract(2) exchange of non-monetary assets(3) self constructionc) special problems associated with purchase of long-term assetsd) ordinary repairs, extraordinary repairs and bettermentse) property retirementsf) co-insurance clause in fire insurance policiesg) review of methods of depreciationh) review of four use factors for estimating depreciationi) group and composite methods for allocating the costs of depreciable assetsj) capital cost allowance for income tax purposesk) property record maintenancel) wasting assets and depletion
		TEST
9 - 12		<u>Long-Term Assets - Investments and Intangible Assets</u> <ul style="list-style-type: none">a) maintaining a portfolio of long-term investmentsb) the purpose and nature of long-term investmentsc) the balance sheet presentation of investments

WEEKS	UNIT	TOPICS
		d) journal entries in recording investment related transactions under (1) the cost method (2) the equity method
		e) the accounting treatment of liquidating and property dividends
		f) the accounting procedures for recording stock rights
		g) long-term investment in funds
		h) cash surrender value of insurance policies
		i) intangible asset valuation
		j) the accounting treatment of research and development costs
		k) the premise for determining the amount of goodwill
		l) the balance sheet treatment of intangible assets
		TEST ACCOUNTING PRACTICE SET
13 - 16	4	<u>Corporations - Shareholder's Equity</u>
		a) articles of incorporation as required under (1) The Canada Business Corporations Act (2) The Ontario Business Corporations Act
		b) securities regulation statute guidelines
		c) types of share capital
		d) characteristics and conditions frequently added to preferred share capital

WEEKS	UNIT	TOPICS
		<ul style="list-style-type: none">e) subscriptions and calls and accounting treatment of subscription defaultsf) incorporation of a proprietorship or a partnershipg) the reacquisition and retirement of sharesh) the purpose, accounting treatment, and balance sheet presentation of treasury sharesi) items included in the statement of retained earningsj) stock rights and options issued to<ul style="list-style-type: none">(1) existing shareholders(2) employeesk) scrip dividends, property dividends, stock dividendsl) appropriations of retained earningsm) calculating book value and earnings per sharen) calculating earnings per share for complex capital structureso) the presentation of earnings per share on the income statement