# Sault College\_ of Applied Arts and Technology sault ste. marie

\_\_Course\_Outline\_

ACCOUNTING II

ACC 101-4

evised JANUARY 1978

#### ACCOUNTING 101-4

TEXT - Accounting - the basis for business decisions - Meigs, Mosich, Johnson, Blazoushe

REFERENCE TEXTS - Fundamental Accounting Principles - Pyle, White, Zin,

- Basic Accounting

- Slavin, Reynolds, Dauders

### PRE-REQUISITE - Accounting I

### AIM & OBJECTIVES

- 1) to examine in detail accounting procedures used for management control
- to become knowledgeable of the accounting treatment for investments and bond issues
- 3) to be able to analyze and interpret financial information
- 4) to understand the capital structure for various types of business organizations

### STUDENT EVALUATION

There will be five regular tests and a final test at the end of the semester. Each unit of this course requires the submission of an assignment. The weighing of the tests and assignments will be as follows:

REGULAR TESTS (5)	40%
ASSIGNMENTS (5)	30%
FINAL TEST	30%
	100%

The tests and assignments will be averaged and your grade will be based on the following:

80%	and	d over		A
70%	to	79%		В
55%	to	69%		C
Belo	W	55%		I

Students receiving below an overall average of 40% will be denied the opportunity to attend the make-up period. Those achieving a grade from 40% to 54% inclusive will be required to attend a make-up period and write a supplementary final test.

UNIT 1 WEEKS 1 - 3

### PARTNERSHIPS & CORPORATIONS

- the partnership agreement
- methods of dividing profits and losses between partners
- accounting procedures for admitting a new partner and for the retirement of a partner
- liquidation of a partnership
- the corporate form of organization
- formation procedures for a corporation
- types of capital stock
- accounting procedures for the issuance of shares
- subscriptions of capital stock
- balance sheet presentation for stockholder's equity
- statement of financial position

UNIT 2 WEEKS 8 - 10

## RESPONSIBILITY ACCOUNTING: DEPARTMENT & BRANCHES FINANCIAL ANALYSIS

- cost centers and profit centers
- allocation of operating expenses
- departmental contribution to indirect expenses
- departmental income statements
- branch accounting records
- interbranch transactions
- analysis by short-term creditors
- analysis by stockholders

UNIT 5 WEEKS 14 - 15

### USES BY MANAGEMENT OF ACCOUNTING INFORMATION

- special reports for management
- cost concepts and terminology
- uses of accounting information to select alternative courses of action
- replacement of equipment
- purchase or lease equipment
- scrap or rebuilt inefficient units

### ACCOUNTING 101-4

UNIT 4 WEEKS 11 - 13

### CHANGES IN FINANCIAL POSITION:

### FUNDS FLOW

### CASH FLOW

- calculating working capital
- determining sources of working capital
- determining the uses of working capital
- the effects of business transactions on working capital
- the treatment of extraordinary gain and losses
- preparation of the statement of changes in financial position
- the cash flow statement
- cash flow from operations
- cash inflow from customers
- cash outflow from payments of expenses and liabilities