

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY


SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Title: ACCOUNTING II
Code No.: ACC 101-4
Program: DATA PROCESSING
Semester: WINTER
Date: DECEMBER, 1983
Author: JOHN W. MITCHELL

New: _____ Revision: X

APPROVED:



Chairperson

83-12-12

Date

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CALENDAR DESCRIPTION

ACCOUNTING II
COURSE NAME

ACC 101-4
COURSE NUMBER

PHILOSOPHY/GOALS:

1. Students will examine and understand the accounting for assets and liabilities.
2. Students will examine and understand corporation accounting.
3. Students will examine and understand how to analyze and interpret financial statements.
4. Students will examine and understand the purpose of planning and controlling of business operations.

METHOD OF ASSESSMENT (6 GRADING METHODS):

During the semester, students will write 3 one period tests. Each test will represent 20% of the final grade. There will be no re-write of these tests.

At the conclusion of the semester, a 2-hour final examination will be held and have a value of 40% of the final grade.

NOTE: The value of the final exam will increase to 60% for those students that failed or missed one of the regular term tests.

GRADES WILL BE ASSIGNED AS FOLLOWS:

A - outstanding achievement	85 - 100
B - consistantly above average achievement	70 - 84
C - satisfactory or acceptable achievement	55 - 69
R - repeat (the student has not achieved the objectives of the course and the course must be repeated)	

TEXTBOOK(S):

Accounting: The Basic for Business Decisions
- Meigs, Meigs & Lam

SUPPLIES:

Working Papers: Chapters 15 to 28

COURSE OBJECTIVES BY UNIT

Unit 1 - Inventories (Chapter 10)

- explain inventory valuation and measurement of income
- explain the cost basis of inventory valuation
- use the gross profit and retail methods for estimating inventories
- outline perpetual inventory records

PLANT AND EQUIPMENT (CHAPTER 11 & 12)

- determine the cost of plant and equipment
- explain the allocating of the cost of the plant and equipment
- examine the methods of calculating depreciation
- account for the disposal of plant and equipment
- explain the accounting for intangible assets

Unit 2 - Corporation: Organization and Shareholders Equity (Chapter 16)

- explain the difference between a corporation and a proprietorship or a partnership
- outline authorization and issuance of capital stock
- explain the difference between common and preferred stock

Corporation: Operation Earnings per Share, and Dividends (Chapter 17)

- calculation of earnings per share
- examine income statement and balance sheet presentation of a corporation
- explain cash and stock dividends

Corporation: Bonds Payable, Leases and Other Liabilities (Chapter 18)

- examine the issuance of bonds
- review concept of present value
- apply interest concept to amortization and sinking fund schedules

Statement of Changes in Financial Position/Cash Flow Chapter 21)

- define the term working capital
- examine illustration on sources and uses of funds
- explain the cash flow statement and its preparation

Unit 3 - Analysis and Interpretation of Financial Statements (Chapter 22)

- examine the level and adequacy of corporate profits
- explain source of financial information and standards of comparison
- use of different analysis techniques

Income Taxes and Business Decisions (Chapter 20)

- explain income taxes for individuals
- preparation of tax returns for individuals
- explain income taxes for corporations
- examine tax planning

Responsibility Accounting (Chapter 23)

- examine the need for department information
- accounting for departmental revenue and expenses
- explain the departmental income statement

Managerial Control: Budgeting (Chapter 26)

- explain the importance of budgeting
- describe the sequence of steps involved in preparing a master budget
- use of the budget