

SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY
SAULT STE. MARIE, ONTARIO

COURSE OUTLINE

Course Outline: ACCOUNTING II
Code No.: ACC 101
Program: FINANCE & SALES MANAGEMENT
Semester: TWO
Date: JANUARY 1989
Author: B. CAMPBELL

New: _____ Revision: X

APPROVED: *B. Campbell*
Chairperson

Jan '89
Date

ACCOUNTING II

ACC 101

Course Name

Course Number

PHILOSOPHY/GOALS:

1. This course will give the students an understanding of the use of accounting information in reaching business decisions.
2. This course will provide a knowledge of the corporate form of business ownership, and the related financial analysis for performance evaluation.

METHOD OF ASSESSMENT (Grading Method):

The final grade will be based on three tests and six assignments. The tests will constitute 75% of the final grade with the assignments being 25%.

Final grades will be assigned as follows:

GRADE	AVERAGE MARK
A+	90-100
A	80-89
B	70-79
C	55-69
I	40-54
R	under 40

A student who has received a final "I" grade, and who has submitted all assignments, will be able to write a 2-hour supplemental examination covering all three sections. A mark of 55 or better on the supplement will result in a final grade of "C". Those students attempting the supplementary examination must have attended at least 75% of the classes in Accounting II.

COURSE CONTENT

UNITS	WEEKS	TOPICS AND DESCRIPTIONS
1	1-5	<u>CORPORATIONS</u> <ul style="list-style-type: none">- the basic characteristics of a corporation- organization of a business under the corporate structure- types of capital shares- the rights of the shareholders- accounting treatment for issuing shares for cash, property and by subscription- reacquisition of shares for retirement and as treasury- determining the book value per share- accounting treatment for dividends: cash and stock- calculating the earnings per share <p style="text-align: center;">TEST</p>
2	6-10	<u>FINANCIAL ANALYSIS</u> <ul style="list-style-type: none">- understanding the tools for financial analysis- analyzing the income trends and changes- analyzing the financial statements from the view point of:<ul style="list-style-type: none">(a) short-term creditors(b) long-term creditors(c) investors- the basis for comparison of financial information

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2
(Cont'd)

6 - 10

RESPONSIBILITY ACCOUNTING

- the need for managerial accounting
- distinction between profit centers and cost centers
- the use of departmental information
- basis for allocating operating expenses to departments
- the departmental income statement
 - (a) when indirect expenses allocated
 - (b) when indirect expenses are not allocated

TEST

3

11-15

BUDGETING

- definition of a budget
- the advantages of budgeting
- determining the target profit (profit objectives)
- preparing the master budget (in total and by month)
- preparing a cash budget (in total and by month)
- preparing a flexible budget

COST - VOLUME - PROFIT ANALYSIS

- using cost - volume - profit analysis for planning
- cost behavior in business
- defining variable and fixed costs
- graphic analysis of cost - volume - profit relationships
- determining the break-even point using contribution margin approach
- determining the best sales mix

TEST