

SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SAULT STE. MARIE, ONTARIO



COURSE OUTLINE

COURSE TITLE: ACCOUNTING PRINCIPLES I

CODE NO. : ACC108 **SEMESTER:** 2

PROGRAM: ACCOUNTING

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DATE: June 2015 **PREVIOUS OUTLINE DATED:** June 2014

APPROVED: "Colin Kirkwood" July/14

DEAN

TOTAL CREDITS: 6 **DATE**

PREREQUISITE(S): ACC107

LENGTH OF COURSE: 6 Hours/Week
for 15 Weeks **TOTAL CREDIT HOURS:** 90

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(705) 759-2554, Ext. 2688

Course Name

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

This course enables the accounting major to demonstrate a thorough understanding of the concepts of Introductory Accounting. The course will establish the analytical skills required to progress through the advanced accounting curriculum.

II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:

Upon successful completion of this course, the student will demonstrate the ability to:

1. Recognize the need for adjusting the accounts periodically and demonstrate how the adjusted trial balance is prepared.

Potential Elements of the Performance:

- Explain the importance of periodic reporting and the time period principle.
 - Describe the purpose of adjusting accounts at the end of a period.
 - Explain accrual accounting and how it adds to the usefulness of financial statements.
 - Identify the types of adjustments and their purpose.
 - Prepare and explain adjusting entries for prepaid expenses, amortization, and unearned revenue.
 - Prepare and explain adjusting entries for accrued expenses and accrued revenues.
 - Explain how accounting adjustments link to financial statements.
 - Explain and prepare an adjusted trial balance.
 - Prepare financial statements from an adjusted trial balance.
 - Record and describe entries for later periods that result from accruals.
2. Complete the accounting cycle and prepare classified balance sheets.

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- Describe and prepare a worksheet and explain its usefulness
 - Explain why temporary accounts are closed each period.
 - Describe and prepare closing entries.
 - Explain and prepare a post-closing trial balance.
 - Identify the steps in the accounting cycle.
 - Explain and prepare a classified balance sheet.
3. Account for merchandising company transactions, perpetual and periodic inventory systems, and the completion of the merchandising business cycle, as well as prepare several types of income statements.

Potential Elements of the Performance:

- Review merchandising activities.
 - Identify and explain the important components of income for a merchandising business.
 - Identify and explain the inventory asset of a merchandising company.
 - Describe both periodic and perpetual inventory systems.
 - Analyze and record various transactions using a perpetual system as well as a periodic system.
 - Prepare adjustments and close accounts for a merchandising company under either system.
 - Define and prepare multiple-step and single-step income statements.
 - Analyze and interpret accruals and cash flows for merchandising activities.
4. Distinguish between the different Inventory valuation methods and be able to calculate the inventory of a business using the acceptable methods.

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- Compute inventory in a perpetual system using the methods of specific identification, weighted average, FIFO.
 - Identify the items making up merchandise inventory.
 - Identify the costs of merchandise inventory.
 - Analyze the effects of inventory methods for financial reporting.
 - Analyze the effects of inventory errors on current and future financial statements.
 - Compute the lower of cost or market value of inventory.
 - Apply both the retail inventory and the gross profit methods to estimate inventory.
5. Analyze the accounts receivable of a business and prepare the proper journal entries for recording of uncollectible accounts, and the effects of Notes Receivable.

Potential Elements of the Performance:

- Describe accounts receivable and how they occur and are recorded.
 - Apply the direct write-off and allowance methods to account for bad debts.
 - Estimate uncollectibles using methods based on sales and accounts receivable.
 - Describe a note receivable and the computation of its maturity date and interest.
 - Record various transactions relating to receivables.
6. Account for capital assets. Apply the methods of amortization of capital assets to a business environment. Calculate and record the journal entries for capital asset transactions and amortization.

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- Describe capital assets and issues in accounting for them.
 - Apply the cost principle to compute the cost of capital assets.
 - Explain amortization and the factors affecting its computation.
 - Compute and record amortization using the methods of straight-line, units-of-production, and double declining-balance.
 - Compare and analyze amortization for different methods.
 - Explain amortization for partial years and when estimates change.
 - Distinguish between revenue and capital expenditures, and account for these expenditures.
 - Account for asset disposal through discarding, selling, or exchanging an asset.
7. Account for current liabilities as well as estimated and contingent liabilities.

Potential Elements of the Performance:

- Describe current and long-term liabilities and their characteristics.
 - Identify and describe known current liabilities.
 - Account for GST transactions.
 - Prepare entries to account for short-term notes payable.
 - Account for estimated liabilities.
 - Explain how to account for contingent liabilities.
8. Apply the accounting procedures and rules as they relate to the Partnership business structure.

Potential Elements of the Performance:

- Identify characteristics of partnerships and similar organizations and explain the concepts of mutual agency and unlimited liability in a partnership.
 - Prepare entries when forming a partnership.
 - Allocate and record income and loss among partners.
 - Account for the admission and withdrawal of a partner.
 - Prepare entries for partnership liquidation.
9. Distinguish between accounting for Partnerships and accounting for Corporations. Apply the accounting procedures and rules as they relate to the corporate business structure.

Potential Elements of the Performance:

- Identify characteristics of corporations and their organization.
- Describe and contrast the specialized components of corporate financial statements.

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- Record the issuance of corporate shares.
- Explain the characteristics of common shares and preferred shares.
- Describe and account for cash dividends.
- Distribute dividends between common and preferred shares.
- Record closing entries for corporations.

III. TOPICS:

1. Adjusting Accounts for Financial Statements
2. Completing the Accounting Cycle and Classifying Accounts
3. Accounting for Merchandising Activities
4. Merchandise Inventories and Cost of Sales
5. Receivables and Bad Debts
6. Capital Assets: Plant and Equipment
7. Current and Contingent Liabilities
8. Partnerships
9. Corporations

IV. REQUIRED RESOURCES/TEXTS/MATERIALS:

- 1) Larson ,Jensen
Fundamental Accounting Principles, 14th Canadian
Edition, McGraw Hill Publishers Volume I & II

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V. EVALUATION PROCESS/GRADING SYSTEM:

All students will be required to complete three tests during the course of the term. The total weighting of the three tests will represent 70% of the final term grade, each representing 23.3 % of the final result. The tests will be administered during the term as follows:

Test #1: Learning Outcomes 1, 2 and 3. Reference chapters 3, 4, & 5.

Test #2: Learning Outcomes 4, 5 and 6. Reference chapters 6, 9, & 10.

Test #3: Learning Outcomes 7, 8 and 9. Reference chapters 11, 12, & 13.

Final Exam A final cumulative comprehensive exam will be written in the last week of the semester. This exam will represent 30% of the final mark.

Supplementary Exam:

Administered at the end of the semester. A student who fails or missed a test or exam during the regular semester qualifies to write the supplementary exam if they have attended 80% of the classes during the regular term. The supplementary exam will replace the lowest failed or missed test or exam. The supplementary exam is a comprehensive test drawing upon all of the material covered during the regular semester.

The following semester grades will be assigned to students:

Grade	<u>Definition</u>	<i>Grade Point Equivalent</i>
A+	90 – 100%	4.00
A	80 – 89%	
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 /clinical placement or non-graded subject area.	
U	Unsatisfactory achievement in field/clinical placement or non-graded subject area.	
X	A temporary grade limited to situations with extenuating circumstances giving a student additional time to complete the	

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	requirements for a course.
NR	Grade not reported to Registrar's office.
W	Student has withdrawn from the course without academic penalty.

If a faculty member determines that a student is at risk of not being successful in their academic pursuits and has exhausted all strategies available to faculty, student contact information may be confidentially provided to Student Services in an effort to offer even more assistance with options for success. Any student wishing to restrict the sharing of such information should make their wishes known to the coordinator or faculty member.

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.

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Code No.**VII. COURSE OUTLINE ADDENDUM:**Course Outline Amendments:

The faculty member reserves the right to change the information contained in this course outline depending on the needs of the learner and the availability of resources.

Retention of Course Outlines:

It is the responsibility of the student to retain all course outlines for possible future use in acquiring advanced standing at other postsecondary institutions.

Prior Learning Assessment:

Students who wish to apply for advance credit transfer (advanced standing) should obtain an Application for Advance Credit from the program coordinator (or the course coordinator regarding a general education transfer request) or academic assistant. Students will be required to provide an unofficial transcript and course outline related to the course in question. Please refer to the Student Key Dates Calendar for the deadline date by which application must be made for advance standing.

Credit for prior learning will also be given upon successful completion of a challenge exam or portfolio. Student Services, located in E1101, can provide information regarding the Prior Learning Assessment and Recognition policy or it can be viewed on the student portal.

Substitute course information is available in the Registrar's office.

Student Portal:

The Sault College portal allows you to view all your student information in one place.

mysaultcollege gives you personalized access to online resources seven days a week from your home or school computer. Single log-in access allows you to see your personal and financial information, timetable, grades, records of achievement, unofficial transcript, and outstanding obligations, in addition to announcements, news, academic calendar of events, class cancellations, your learning management system (LMS), and much more. Go to <https://my.saultcollege.ca>.

Communication:

The College considers **Desire2Learn (D2L)** as the primary channel of communication for each course. Regularly checking this software platform is critical as it will keep you directly connected with faculty and current course information. Success in this course may be directly related to your willingness to take advantage of this Learning Management System (LMS) communication tool.

Accessibility Services:

If you are a student with a disability (e.g. physical limitations, visual impairments, hearing impairments, or learning disabilities), you are encouraged to discuss required accommodations with the Accessibility Services office. Visit Room E1101, call Ext. 2703 or email studentsupport@saultcollege.ca so that support services can be arranged for you.

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Code No.Audio and Video Recording Devices in the Classroom:

Students who wish to use electronic devices in the classroom will seek permission of the faculty member before proceeding to record instruction. Students with disabilities who require audio or visual recording devices in the classroom as an accommodation will receive approval from their counsellor once the Audio and Video Recording Devices in the Classroom Policy has been reviewed by the student. Recorded classroom instruction will be used only for individual academic use and will not be used for any other purpose. Recordings may only be used for individual study of materials presented during class and may not be published or distributed. Intentional misuse of audio and video recordings or intentional misrepresentation when requesting the use of a device for recording shall constitute a violation of this policy and laws protecting intellectual property.

Academic Dishonesty:

Students should refer to the definition of “academic dishonesty” in the Student Code of Conduct. Students who engage in academic dishonesty will be issued a sanction under the Student Code of Conduct which could lead to and include expulsion from the course/program. In order to protect students from inadvertent plagiarism, to protect the copyright of the material referenced, and to credit the author of the material, students must use a documentation format for referencing source material.

Tuition Default:

Students who have defaulted on the payment of tuition (tuition has not been paid in full, payments were not deferred or payment plan not honoured) as of the first week of November (fall semester courses), first week of March (winter semester courses) or first week of June (summer semester courses) will be removed from placement and clinical activities due to liability issues. This may result in loss of mandatory hours or incomplete course work. Sault College will not be responsible for incomplete hours or outcomes that are not achieved or any other academic requirement not met as of the result of tuition default. Students are encouraged to communicate with Financial Services with regard to the status of their tuition prior to this deadline to ensure that their financial status does not interfere with academic progress.