



# Business Administration

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|-------------------------|--|
| Course Number:          | <b>BUAD 121</b>  |
| Course Title:           | <b>FINANCIAL ACCOUNTING II</b>   |
| Credits:                | 3  |
| Calendar Description:   | This course is a continuation of BUAD 111. Topics include inventory, long-term assets and their depreciation, bonds and other long-term liabilities, partnership equity, shareholders' equity and investment in corporate securities. Generally Accepted Accounting Principles and the preparation of the statement of cash flow will also be studied. <i>(also offered by Distance Education)</i> |
| Semester and Year:      | <b>Fall 2017</b>   |
| Prerequisite(s):        | BUAD 111 or BUAD 131   |
| Corequisite(s):         | No   |
| Prerequisite to:        | BUAD 263, 365  |
| Final Exam:             | Yes  |
| Hours per week:         | 3  |
| Graduation Requirement: | Required – BBA, Accounting Specialty<br>Required – Diploma, Accounting option  |
| Substitutable Courses:  | No   |
| Transfer Credit:        | CPA (credit with BUAD 111), CIB, PMAC  |
| Special Notes:          | Credit may be received by passing a challenge exam.  |
| Originally Developed:   | 1976   |
| EDCO Approval:          | April 2003   |

Chair's Approval:

A handwritten signature in black ink, appearing to read "Laura A. P.", is written over a light gray rectangular background.

**Professors**

| Name   | Phone number       | Office  | Email                    |
|--|--------------------|---------|--------------------------|
| <b>Karen Matthews</b><br><i>Course Captain</i> | 250-762-5445 x4703 | K: E226 | kmatthews@okanagan.bc.ca |

**Learning Outcomes**

Upon completion of this course students will be able to

- interpret and apply the appropriate accounting treatment to the various topics covered in this course, in accordance with international financial reporting standards and Canadian generally accepted accounting principles (collectively referred to as GAAP). See course objectives for below for topics.
- prepare a statement of cash flows and the equity section of the statement of financial position for proprietorships, partnerships, and corporations in accordance with GAAP.
- demonstrate systematic procedures to determine relevant amounts and appropriate financial statement presentation for all course topics in accordance with GAAP.
- define the many accounting-specific terms associated with the course topics as used in the accounting profession today.
- journalize transactions relating to the course topics and describe the resulting financial statement impacts of those transactions in accordance with GAAP.
- describe alternative accounting methods associated with several of the course topics focusing on the differences among them and the effect on the financial statements of selecting one method over another in accordance with GAAP.

**Course Objectives**

This course will cover the following content:

- The periodic inventory system and inventory cost flow assumptions
- Property, plant, and equipment including alternative depreciation methods
- Current liabilities
- Partnerships
- Corporations: shares, dividends, closing entries
- Corporations: share dividends and splits, earnings per share, retained earnings
- Long-term liabilities
- Investments
- The statement of cash flows, direct method

**Evaluation Procedure**

|               |      |
|---------------|------|
| Term Work     | 20%  |
| Mid-term Exam | 30%  |
| Final Exam    | 50%  |
| Total         | 100% |

**Notes**

Students continuing on to the accounting option in second year are reminded that a 60% average in this course is required as a prerequisite for BUAD 263 - Intermediate Accounting. The professional accounting organizations' requirements vary but a 65 - 70% average is normally required for transfer credit.

**Required Texts/Resources**

Larson and Jensen, Fundamental Accounting Principles, Volume 2, 15th Cdn Ed., McGraw-Hill Ryerson, 2016.

In addition, some or all of the homework questions will be completed using Connect, the text's computerized learning supplement.

## Course Schedule

| Date       |           | Topic  | Textbook       |
|------------|-----------|--|----------------|
| Week of:   |           | Tuesday Sept 5 College-wide Orientation Day<br>Wednesday Sept 6 Classes Begin<br>Monday Oct 9 Thanksgiving Day – <i>no classes</i><br>Monday Nov 13 Statutory Holiday for Remembrance Day – <i>no classes</i><br>Tuesday Dec 5 Last Day of Regularly-scheduled Classes |                |
| Sep        | 3-9       | Periodic and perpetual Inventory Systems Compared, course notes and examples.  | Notes          |
|            | 10-16     | Periodic and perpetual Inventory Systems Compared, course notes and examples.<br>Property, Plant and Equipment and Intangibles   | Notes<br>Ch 9  |
|            | 17-23     | Property, Plant and Equipment and Intangibles<br>Current Liabilities   | Ch 9<br>Ch 10  |
|            | 24-30     | Current Liabilities<br>Partnerships  | Ch 10<br>Ch 11 |
| Oct        | 1-7       | Partnerships   | Ch 11          |
|            | 8-14      | Partnerships & Review<br>Midterm Exam: Periodic inventory and Chapters 9 -11   | Ch 11          |
|            | 15-21     | Organization and Operation of Corporations   | Ch 12          |
|            | 22-28     | Organization and Operation of Corporations<br>Corporate Repritrn: Profit, Earnings Per Share, and Retained Earnings  | Ch 12<br>Ch 13 |
| Oct<br>Nov | 29 –<br>4 | Corporate Reporting: Profit, Earnings Per Share, and Retained Earnings   | Ch 13          |
|            | 5-11      | Bonds and Long-term Notes Payable  | Ch 14          |
|            | 12-18     | Bonds and Long-term Notes Payable<br>Accounting for Debt and Share Investments   | Ch 14<br>Ch 15 |
|            | 19-25     | Accounting for Debt and Share Investments<br>Reporting and Analyzing Cash Flows  | Ch 15<br>Ch 16 |
| Nov<br>Dec | 26 –<br>2 | Reporting and Analyzing Cash Flows   | Ch 16          |
|            | 3-9       | Review   |                |
|            | 7-18      | FINAL EXAM PERIOD  |                |

## **SKILLS ACROSS THE BUSINESS CURRICULUM**

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The Okanagan School of Business promotes core skills across the curriculum. These skills include reading, written and oral communications, computers, small business, and academic standards of ethics, honesty and integrity.

## **STUDENT CONDUCT AND ACADEMIC HONESTY**

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### **What is the Disruption of Instructional Activities?**

At Okanagan College (OC), disruption of instructional activities includes student “conduct which interferes with examinations, lectures, seminars, tutorials, group meetings, other related activities, and with students using the study facilities of OC”, as well as conduct that leads to property damage, assault, discrimination, harassment and fraud. Penalties for disruption of instructional activities include a range of sanctions from a warning and/or a failing grade on an assignment, examination or course to suspension from OC.

### **What is Cheating?**

“Cheating includes but is not limited to dishonest or attempted dishonest conduct during tests or examinations in which the use is made of books, notes, diagrams or other aids excluding those authorized by the examiner. It includes communicating with others for the purpose of obtaining information, copying from the work of others and purposely exposing or conveying information to other students who are taking the test or examination.”

Students must submit independently written work. Students may not write joint or collaborative assignments with other students unless the instructor approves it in advance as a group/team project. Students who share their work with other students are equally involved in cheating.

### **What is Plagiarism?**

Plagiarism is defined as “the presentation of another person’s work or ideas without proper or complete acknowledgement.” It is the serious academic offence of reproducing someone else’s work, including words, ideas and media, without permission for course credit towards a certificate, diploma, degree and/or professional designation. The defining characteristic is that the work is not yours.

“Intentional plagiarism is the deliberate presentation of another’s work or ideas as one’s own.” Intentional plagiarism can be a copy of material from a journal article, a book chapter, data from the Internet, another student, work submitted for credit in another course or from other sources.

“Unintentional plagiarism is the inadvertent presentation of another’s work or ideas without proper acknowledgement because of poor or inadequate practices. Unintentional plagiarism is a failure of scholarship; intentional plagiarism is an act of deceit.”

### **What are the Students’ Responsibilities to Avoid Plagiarism?**

Students have a responsibility to read the OC Plagiarism Policy and Procedures outlined in the OC calendar, which is available in online format [www.okanagan.bc.ca](http://www.okanagan.bc.ca). Students must acknowledge the sources of information used on all their assignments. This usually involves putting the authors’ name and the year of publication in parentheses after the sentence in which you used the material, then at the end of your paper, writing out the complete references in a Reference section.

“Students are responsible for learning and applying the proper scholarly practices for acknowledging the work and ideas of others. Students who are unsure of what constitutes plagiarism should refer to the UBC publication “*Plagiarism Avoided; Taking Responsibility for your Work*”. This guide is available in OC bookstores and libraries.

Students are expected to understand research and writing techniques and documentation styles. The Okanagan School of Business requires the use of the APA or MLA style, but suggests that students cite references using the APA guidelines (see Publication Manual of the American Psychological Association, 6<sup>th</sup> edition (2009)). A copy of the APA manual is available in the reference section and also available for circulation from OC libraries. The library website has access to these two major citing styles.

### **What are the Penalties for Plagiarism and Cheating?**

The Okanagan School of Business does not tolerate plagiarism or cheating. All professors actively check for plagiarism and cheating and the Okanagan School of Business subscribes to an electronic plagiarism detection service. All incidents of plagiarism or cheating are reported and result in a formal letter of reprimand outlining the nature of the infraction, the evidence and the penalty. The Dean of the Okanagan School of Business and the Registrar record and monitor all instances of plagiarism and cheating. Penalties for plagiarism and cheating reflect the seriousness and circumstances of the offence and the range of penalties includes suspension from OC.