

|  |
| --- |
| **Course Outline**  Department of Accounting and Finance  School of Business and Economics |

**ACCT 2210 Sections 1, 4, 5**

**Financial Accounting (3, 0, 0)**

**2020 Summer**

**Instructor:** Tony Bell **Phone/Voice Mail:** No Office Phone (COVID19)

**Office:** No Office (COVID19)

**Office Hours:** By appointment (email me to set up a video call) **E-Mail:** [tbell@tru.ca](mailto:tbell@tru.ca)

**(Please don’t be shy about contacting me – Although I don’t have formal office hours, I will be very responsive to student emails!)**

### CALENDAR DESCRIPTION

### Students develop the skills necessary to prepare and analyze the financial statements of a public corporation. Topics include the conceptual framework; accounting standards; the accounting cycle; financial statements; internal control and bank reconciliations; short-term investments and receivables; inventory; long-term assets including intangibles; liabilities including bonds payable; shareholders' equity, dividends, and share repurchases; comprehensive income and the statement of shareholders' equity; statement of cash flows; and financial statement analysis.

### EDUCATIONAL OBJECTIVES/OUTCOMES

Upon completion of this course, students will be able to:

1. Describe the system of accounting standards and principles.
2. Demonstrate the accrual method of accounting and the accounting cycle.
3. Prepare a statement of financial position (balance sheet), statement of income (income statement), statement of changes in equity, and a statement of cash flows using both the indirect and direct method.
4. Identify the objectives and procedures of internal control.
5. Account for short-term investments, receivables, and inventories.
6. Account for the purchase, depreciation, and derecognition of tangible and intangible long-term assets.
7. Account for bonds issued at par, a discount, or a premium by the effective interest method, including interest payments for full and partial periods.
8. Journalize shareholder’s equity transactions for share issue, repurchase, and both cash and stock dividends.
9. Analyze financial statements utilizing horizontal and vertical analysis and ratio analysis.

### PREREQUISITES

English 12/English 12 First Peoples with a minimum of 73 percent or equivalent

Note: Students cannot receive credit for more than one of ACCT 1000, ACCT 1211/1221, ACCT 2210 or ACCT 2211.

#### COREQUISITES

None

## TEXTS/MATERIALS

Kimmel, Weygandt, Kieso, Trenholm, Irvine & Burnley,*Financial Accounting: Tools for Business Decision* *Making*, 7th Canadian Edition, John Wiley & Sons Canada, Ltd., 2017.

## STUDENT EVALUATION

Midterm 40%

Final exam 50%

Homework and quizzes 10%

## MISSED EXAMS

Students who miss a term exam without prior approval of the instructor will not receive a make-up exam unless there is domestic affliction or documented illness. Make-up exams or alternate sitting dates for exams will not be provided. Students must arrange their schedules so that they can write the exams.

For information on missing an exam see: <https://www.tru.ca/__shared/assets/Examinations5652.pdf>

**COURSE POLICIES:**

* As TRU business students, you are expected to apply professional standards of behaviour with respect to attendance, punctuality, time management, positive attitude, and respect for other individuals.
* Produce your own work in a readable, orderly, and timely manner.
* Any suspected cheating on assignments, quizzes, tests, midterms, or final exams will result in a grade of a zero and will be reported to the Chair of the Accounting Department, reported in accordance with TRU Student Academic Integrity policy ED 5-0.
* Laptops and tabletsmay be used for class work only.Laptops are limited to the back row of class, and tablets must remain flat. Unauthorized use is distracting to others and yourself. Privilege can be removed at any time.
* Arrive on time. If you arrive late, you risk weak attempts at humour. Repeated late arrivals will result in the classroom being locked and lost professionalism marks.
* Questions regarding exams will only be answered in class with other students present so that information is available to all students. Further review will be discussed in class as exams approach.
* While I encourage discussion of problems with other class members, it is inappropriate and unethical to obtain copies of solutions from past classes or elsewhere to inform your answers to graded work.
* The in-class quizzes, midterm and final exams are closed book.

**ATTENDANCE REQUIREMENTS**

You are expected to attend all classes. A ***significant*** amount of material and guidance will be discussed in class that cannot be found in the textbook. The focus of this course is on the process of learning accounting and not facts/memorization. This requires continual attendance and engagement. Failure to attend is not an excuse for missed material or poor performance on assignments, quizzes, tests, midterms, or final exams. You paid for the course, which means you should attend and participate.

* Students who do not attend a minimum or 90% of the lecture hours may be withdrawn from the course at the discretion of the instructor.
* Students may be removed from a course if they miss the first two (2) classes without prior arrangements that are acceptable to the instructor.

For more information see: <https://www.tru.ca/__shared/assets/Policy_ED_03-135351.pdf>

### COURSE TOPICS

1. Introduction

* Introduction to accounting
* Accounting standards
* Ethics in business and accounting
* Review of the financial statements

2. Analyzing Transactions

* Double entry accounting system
* Analyse and record transactions in a journal
* Post the journal to ledger accounts
* Prepare a trial balance

3. Accrual Accounting, Adjusting Entries, and Financial Statements

* + Accrual system of accounting versus cash basis
  + The adjustment process
  + Preparing financial statements
  + Closing Entries

4. Internal Control and Cash

* Internal control objectives and procedures
* Bank reconciliation
* Control over cash

5. Short-term Investments and Receivables

* Short-term investments
* Accounts and notes receivable
* Accounting for bad debts
* Current and quick ratios, receivables ratios

6. Inventory

* Inventory costing methods
  + FIFO
  + Weighted average
* Cost of goods sold and lower of market and net realizable value
* Effect of inventory errors

7. Long-term Assets

* Measuring the cost of property, plant, and equipment
* Depreciation methods including partial year depreciation and significant components
* Derecognition of assets
* Accounting for intangibles
* Financial statement presentation and disclosures for assets

8. Liabilities

* Current liabilities and contingencies
* Long-term liabilities
* Bonds payable
* Bond discounts and premiums using the effective interest method
* Accrual of bond interest
* Reporting and disclosure of liabilities

1. Shareholder’s Equity

* Forms of business organization and advantages and disadvantages
* Shares and shareholder rights including common and preferred
* Issuing shares
* Share repurchases
* Dividends; common and preferred
* Cash dividends, stock dividends
* Stock splits
* Concepts of book value, fair value, earnings per share

1. Statement of Cash Flows

* Statement of cash flows - basic concepts
* Preparing the statement of cash flows – indirect method
* Preparing the statement of cash flows – direct method
* Free cash flow

1. Financial Statement Analysis

* Vertical and horizontal analysis
* Financial statement ratios and benchmarking
* Using ratios in decision making

**METHODS FOR PRIOR LEARNING ASSESSMENT AND RECOGNITION**

As per TRU policy: <https://www.tru.ca/__shared/assets/PLAR5678.pdf>

**GRADING**

|  |  |  |
| --- | --- | --- |
| **Percentage** | **Grade** | **Grade Point Equivalent** |
| **90+** | A+ | 4.33 |
| **85 – 89** | A | 4.00 |
| **80 – 84** | A- | 3.67 |
| **77 – 79** | B+ | 3.33 |
| **73 – 76** | B | 3.00 |
| **70 – 72** | B- | 2.67 |
| **65 – 69** | C+ | 2.33 |
| **60 – 64** | C | 2.00 |
| **55-59** | C- | 1.67 |
| **50 – 54** | D | 1 |
| **<50** | F | 0 |
|  | DNC |  |

For more information see: <https://www.tru.ca/__shared/assets/ED_3-5_Grading_Systems35364.pdf>

**ACADEMIC INTEGRITY**

Academic standards and the reputation of students and the university are based on, among other things, academic integrity. Any forms of dishonesty, including cheating on exams, aiding and abetting cheating, and the use of work prepared by others and presented as your own, etc., are unacceptable activities and will normally result in a mark of zero in the particular assignment or in the case of an exam, a fail for the course. Severe or repeated incidences could result in disbarment from the University.

SOBE’s HONOUR CODE states:

***"As a student of the School of Business and Economics at Thompson Rivers University, I promise to act honestly, ethically and with integrity. I accept responsibility for my own actions. I will not cheat, plagiarize, or condone such behaviour in others."***

TRU’s Student Academic Policy: <https://www.tru.ca/__shared/assets/Student_Academic_Integrity__Policy_ED_5-036334.pdf>

You are responsible for your own actions - don’t let them be interpreted as Academic Dishonesty.

**USE OF TECHNOLOGY**

Moodle will be used to provide students access to notes and class information. Students are expected to have created an account and logged on to Moodle by Friday, January 10th, 2020. Moodle can be accessed at https://mymoodle.tru.ca. Students are responsible to check for material and updates prior to class.

Quizzes will be administered via Moodle in class. Therefore, students will be required to have a device capable of accessing the Moodle website to complete these quizzes.

If you chose to use an electronic device to access the online materials available for the class, it is your responsibility to make sure it is not a distraction to you or others (i.e., do not surf the web or text, chat, shop, etc. during class time). If devices are being used for other purposes, the student may be asked to turn off the device and/or leave the classroom. The use of technology within the context of the classroom is a privilege that requires it to be used with both maturity and proper judgement.

**Course Schedule is on Moodle**