

**Commerce 3AC3  
Financial Accounting II  
Summer 2014 Course Outline**

**Accounting and Financial Management Services  
DeGroote School of Business  
McMaster University**

***COURSE OBJECTIVES***

This course teaches students who are interested in careers in financial management service areas how to prepare financial statements and/or analyze financial information. This course focuses on understanding and application of generally accepted accounting principles under both IFRS (International Financial Reporting Standards) and ASPE (Accounting Standards for Private Enterprises).

***INSTRUCTOR AND CONTACT INFORMATION***

Name: HT Hao  
E-mail: haohorn@mcmaster.ca  
Office: DSB 323  
Office Hours: Monday and Wednesday 5PM to 5:50PM and by appointment  
Tel: (905) 525-9140 ext. 23984

Class Time and Location:  
Monday and Wednesday 6:00PM to 9PM, @CNH/106

***COURSE ELEMENTS***

Credit Value:	3	Leadership:	Yes	Global View:	Yes	IT Skill:	No
Avenue:	Yes	Numeracy:	Yes	Written Skill:	Yes	Ethics:	Yes
Participation:	Yes	Innovation:	Yes	Group Work:	No	Oral Skill:	Yes
Evidence-Based:	Yes	Experiential:	No	Final Exam:	Yes	Guest Speaker:	Yes

<b>REQUIRED COURSE MATERIALS AND READINGS</b>
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Intermediate Accounting 10th Canadian Edition, Volume 2, 2013  
by Donald Kieso, Jerry Weygandt, Terry Warfield, Nicola Young, Irene Wiecek  
ISBN 978-1-118-30085-5

CICA Handbook/Exposure Draft material (available in Innis library)

<b>EVALUATION</b>
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Exams: We will have one Mid-Term Test, one group case, quizzes and a Final Examination (TBA). Exam scope is to be determined. Detailed time and location is listed in course schedule section.

### ***Components and Weights***

Mid-Term Test	40%
Quizzes	20%
Final Exam	40%
<b>Total</b>	<b>100%</b>

NOTE: The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/examinationindex.html>

### ***Grade Conversion***

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme.

LETTER GRADE	PERCENT	LETTER GRADE	PERCENT
A+	90 - 100	C+	67 - 69
A	85 - 89	C	63 - 66
A-	80 - 84	C-	60 - 62
B+	77 - 79	D+	57 - 59
B	73 - 76	D	53 - 56
B-	70 - 72	D-	50 - 52
		F	00 - 49

## ***Communication and Feedback***

Students that are uncomfortable in directly approaching an instructor regarding a course concern may send a confidential and anonymous email to the respective Area Chair (mohde@mcmaster.ca) or the Associate Dean (adbusac@mcmaster.ca):

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Area Administrative Assistants.

Instructors are required to provide evaluation feedback for at least 10% of the final grade to students prior to Week #8 in the term.

Instructors may conduct an informal course review with students by Week #4 to allow time for modifications in curriculum delivery.

Students who wish to have a course component re-evaluated must complete the following form:

[http://www.mcmaster.ca/policy/Students-AcademicStudies/Form\\_A.pdf](http://www.mcmaster.ca/policy/Students-AcademicStudies/Form_A.pdf)

In order for the component to be re-read:

- the component must be worth 10% or more of the final grade in the course
- students pay a fee of \$50 in Gilmour Hall #209 (receipt is then brought to APO)
- the Area Chair will seek out an independent adjudicator to re-grade the component
- an adjustment to the grade for the component will be made if a grade change of three points or greater on the 12 point scale (equivalent to 10 marks out of 100) has been suggested by the adjudicator as assigned by the Area Chair
- if a grade change is made, the student fee will be refunded

## ***Quizzes***

Quizzes will cover material from the text book, readings, lectures and class discussion. The quizzes will be held randomly. The quizzes are likely to have multiple choice questions and/or exercises. They are **close-book** quizzes. No study aids are allowed. The use of a McMaster standard calculator is allowed.

## ***Mid-Term Test***

The test will cover material from the text book, readings, lectures and class discussion. Campus map is here: <http://parking.mcmaster.ca/June25UpdatedMapWithAutomation.PDF>

The test is likely to have multiple choice questions and problems. This is a **close-book** test. No study aids are allowed. The use of a McMaster standard calculator is allowed.

## ***Final Examination***

The final examination will cover material from the text book, readings, lectures and class discussion. This is a **close-book** examination. No study aids are allowed. The use of a McMaster standard calculator is allowed.

## ***Participation***

Class participation is required for all students through the course. Instructors and TAs will feel free to call on anyone at any time. Hence, it is imperative that you prepare for each and every class and reading. In general, contributions are evaluated in an ascending order from physically but not mentally present, to good chip shots, to quite substantial comments. Participation will **NOT** be graded by counting each contribution a student makes. Participation will be graded by examining the quality of contributions in each class.

## ***How to maximize your learning and your grade***

- 1) **Before Class: Read the appropriate chapters in the textbook** before the lecture and review any class handouts. Pay close attention to worked examples in the text. If possible, start working on the easier assigned questions. While class participation is not a formal requirement of your grade, the questions and discussions are designed to help students to better prepare for the mid-term and final examinations.
- 2) **Come to class.**
- 3) **After class: Do as many exercises and problems from the textbooks as possible.** Make sure you understand all the material covered in the classes and tutorials preceding the exams. The best way to prepare for the mid-term and final exams is to study for the text-book questions, and study the lectures, particularly the material not directly covered by the self-study questions.
- 4) **Ask if you do not understand.** When you study, stay focused on the material. In addition to attending lecture and tutorial classes, you should be spending 5-12 hrs per week studying the text and class notes, preparing for class participation and working through the assigned self-study questions.

## **ACADEMIC DISHONESTY**

It is the student's responsibility to understand what constitutes academic dishonesty. Please refer to the University Senate Academic Integrity Policy at the following URL:

<http://www.mcmaster.ca/policy/Students-AcademicStudies/AcademicIntegrity.pdf>

This policy describes the responsibilities, procedures, and guidelines for students and faculty should a case of academic dishonesty arise. Academic dishonesty is defined as to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. Please refer to the policy for a list of examples. The policy also provides faculty with procedures to follow in cases of academic dishonesty as well as general guidelines for penalties. For further information related to the policy, please refer to the Office of Academic Integrity at:

<http://www.mcmaster.ca/academicintegrity>

In this course we will be using Turnitin.com which is a plagiarism detection service. Students will be expected to submit their work electronically to Turnitin.com so that it can be checked against the internet, published works and Turnitin's database for similar or identical work. If a student refuses to submit his or her work to Turnitin.com, he or she cannot be compelled to do so and should not be penalized. Instructors are advised to accept a hard copy of the assignment and grade it as per normal methods. The assignment can be subjected to a Google search or some other kind of search engine if the instructor wishes. To see guidelines for the use of Turnitin.com, please go to:

<http://www.mcmaster.ca/academicintegrity/turnitin/students/index.html>

### **REQUESTING RELIEF FOR MISSED ACADEMIC WORK**

1. Students may request relief from a regularly scheduled midterm, test, assignment or other course component in the following two ways:
  - a) **for absences from classes lasting up to five (5) days; or**
  - b) **for absences from classes lasting more than five (5) days.**

**a) For absences from classes lasting up to five (5) days**

Students must use the MSAF (McMaster Student Absence Form). This is an on-line, self-reporting tool, for which submission of medical or other types of supporting documentation is normally not required. Students may use this tool to submit a maximum of one (1) request for relief of missed academic work per term as long as the weighting of the component is worth 29% of the final grade or less. Students must follow up with their course instructors regarding the nature of the relief within two days of submitting the form. Failure to do so may negate the opportunity for relief. It is the prerogative of the instructor of the course to determine the appropriate relief for missed term work in his/her course.

If the value of the component is worth 30% or more, students must report to the APO to discuss their situation and will be required to provide appropriate supporting documentation.

**b) For absences from classes lasting more than five (5) days**

Students cannot use the MSAF. They **MUST** report to the APO to discuss their situation and will be required to provide appropriate supporting documentation.

Students who wish to submit more than one request for relief of missed academic work per term cannot use the MSAF. They must report to the APO and discuss their situation with an academic advisor. They will be required to provide supporting documentation and meet with the Director.

The MSAF cannot be used during any final examination period.

Students unable to write a mid-term at the posted exam time due to the following reasons: religious; work-related (for part-time students only); representing university at an academic or varsity athletic event; conflicts between two overlapping scheduled mid-term exams; or other extenuating circumstances, have the option of applying for special exam arrangements. Please

see the DeGrootte Missed Course Work Policy for a list of conflicts that qualify for academic accommodation

(<http://www.degroote.mcmaster.ca/ug/documents/MissedCourseWorkFormOct2012.pdf>).

Such requests must be made to the Academic Programs Office at least ten (10) working days before the scheduled exam along with acceptable documentation. Instructors cannot themselves allow students to unofficially write make-up exams/tests. Adjudication of the request must be handled by the Academic Programs Office.

If a mid-term exam is missed without a valid reason, students will receive a grade of zero (0) for that component.

## **STUDENT ACCESSIBILITY SERVICES**

Student Accessibility Services (SAS) offers various support services for students with disabilities. Students are required to inform SAS of accommodation needs for course work at the outset of term. Students must forward a copy of such SAS accommodation to the instructor normally, within the first three (3) weeks of classes by setting up an appointment with the instructor. If a student with a disability chooses NOT to take advantage of an SAS accommodation and chooses to sit for a regular exam, a petition for relief may not be filed after the examination is complete. The SAS website is:

<http://sas.mcmaster.ca>

## **POTENTIAL MODIFICATIONS TO THE COURSE**

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

<b>COURSE SCHEDULE</b>
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**Commerce 3AC3  
Financial Accounting II  
Summer 2014 Course Schedule**

<b>CLASS</b>	<b>TOPIC</b>	<b>READING ASSIGNMENT AND SUGGESTED QUESTIONS</b>
1 June 23	Chapter 13: Non-Financial and Current Liabilities	E13-1, 2, 6, 7, 10, 13, 14, 17, 20, 23, 24. P13-1, 12, 15.
2 June 25	Chapter 14: Long-Term Financial Liabilities	E14-2, 3, 4, 6, 8, 9, 11, 13, 16, 21, 22, 23, 24. P14-3, 7.
3 June 30	Chapters 15: Shareholders' Equity 1 <sup>st</sup> Quiz (Coverage Chapters 13 & 14)	E15-1, 2, 3, 5, 8, 10, 11, 13, 15, 17, 19.
4 July 2	Chapter 15: Shareholders' Equity Chapter 16: Complex Financial Instruments	P15-1, 2, 5. E16-1, 3, 4, 5, 6, 8, 9, 12, 13, 14, 16, 18, 20, 21.
5 July 7	Chapter 16: Complex Financial Instruments <b>Midterm Exam Review</b>	P16-1, 2, 10.
6 July 9	<b>Midterm Examination (Ch. 13 to 16)</b>	
7 July 14	Chapter 17: Earnings Per Share	E17-2, 4, 5, 6, 8, 9, 11, 12, 14, 16, 17, 18.

<b>CLASS</b>	<b>TOPIC</b>	<b>READING ASSIGNMENT AND SUGGESTED QUESTIONS</b>
8 July 16	Chapter 17: Earnings Per Share Chapter 18: Income Taxes	P17-5, 7. E18-2, 3, 4, 5, 6, 9, 11, 12, 13, 14.
9 July 21	Chapter 18: Income Taxes Chapter 19: Pensions and Other Employee Future Benefits	E18-15, 17, 18, 19, 20, 21, 22, 25, 27. E19-1, 3, 4, 5.
10 July 23	Chapter 19: Pensions and Other Employee Future Benefits 2 <sup>nd</sup> Quiz (Coverage Chapters 17 & 18)	E19-7, 9, 10, 13, 14, 15, 16, 21, 22.
11 July 28	Chapter 20: Leases	E20-1, 2, 3, 4, 6, 7, 9, 10, 11, 12, 13, 14, 16.
12 July 30	Chapter 20: Leases <b>Final Exam Review</b>	E20-17, 19, 21, 22, 25.
13 August 6	Final Exam (Chapters 17 to 20)	

**NOTE:** THE ABOVE SUGGESTED EXERCISES / PROBLEMS REPRESENT MINIMUM PRACTICE ONLY. STUDENTS ARE STRONGLY ENCOURAGED TO DO FURTHER EXERCISES AND PROBLEMS TO SUPPLEMENT LEARNING AND FULLY APPLY ACCOUNTING CONCEPTS COVERED.

ALL MATERIAL COVERED IN CLASS PRESENTATIONS COULD BE TESTED ON EXAMINATION

ALL PREPARE-FOR-CLASS-DISCUSSION QUESTIONS MAY NOT BE COVERED DUE TO TIME PRESSURES.

THERE MAY BE OTHER ASSIGNED MATERIALS HANDED OUT FROM TIME TO TIME. THESE ARE ALSO PART OF YOUR RESPONSIBILITIES