

**Commerce 3AC3
Intermediate Financial Accounting II
Summer 2017 Course Outline**

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

COURSE OBJECTIVE

This course teaches 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

Muhammad M. Kabir

Instructor

kabirmm@mcmaster.ca

Office: DSB 313

Office Hours: Tuesdays 12.30 p.m. -2.30 p.m. or by appointment

Tel: (905) 525-9140 x26035

Class Time and Location:

C01: Monday, Wednesday 2.00 p.m.-5.00 p.m. Class Location: DSB AB102

COURSE ELEMENTS

Credit Value:	3	Leadership:	Yes	IT skills:	No	Global view:	Yes
Avenue:	Yes	Ethics:	Yes	Numeracy:	Yes	Written skills:	No
Participation:	Yes	Innovation:	Yes	Group work:	No	Oral skills:	Yes
Evidence-based:	Yes	Experiential:	No	Final Exam:	Yes	Guest speaker(s):	No

COURSE DESCRIPTION

This course explores the issues of accounting measurement and financial reporting introduced in 2AA3 in more depth. Students undertake an in-depth analysis of the liabilities and equity side of the balance sheet. Key elements of this course include understanding and application of financial reporting standards in accordance with generally accepted accounting principles (GAAP) in the areas of short- and long term liabilities, shareholders' equity, lease, income tax, and pension.

LEARNING OUTCOMES

Upon completion of this course, students will be able to complete the following key tasks:

- Understand the basic principles underlying the accounting and reporting for many common current liabilities and for a variety of non-financial liabilities;
- Explain the accounting issues that are related to long-term debt and financial liabilities;
- Understand the various accounting issues for different types of shares or equity instruments that corporations issue to raise funds in capital markets;
- Identify complex financial instruments, such as hybrid and compound debt and equity instruments and derivatives;
- Describe how basic and diluted earnings per share figures are calculated and what information they contain;
- Discuss the basic standards that both publicly accountable and private enterprises must follow in reporting income taxes;
- Identify and account for a defined benefit plan;
- Understand the accounting issues related to lease arrangements;
- Explain alternative methods of accounting for accounting changes.

REQUIRED COURSE MATERIALS AND READINGS

1. Intermediate Accounting, 11th Canadian Edition, Volume 2. Kieso, Weygandt, Warfield, Young, Wicek and McConomy. Wiley, 2016.

OR

Intermediate Accounting 11th Canadian Edition Binder Ready version Volume 2

2. CPA Canada Handbook (electronic version available in Innis Library)

3. Avenue registration for course content, readings and other materials

<http://avenue.mcmaster.ca>

EVALUATION

Exams: We will have one Mid-term Test, quizzes and a Final Examination (TBA). Exam scope is to be determined. Detailed time and locations are listed in course schedule section.

Components and Weights

Midterm Test (Individual)	40%
Quizzes (Individual)	10%
Final Exam	50%
Total	100%

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/UndergraduateExaminationsPolicy.pdf>

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 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

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 and the receipt is then brought to Student Experience - Academic Office (formerly the APO) in DSB 112
- 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, reading, lectures and class discussion. The quizzes are likely to have multiple choice questions and/or exercises. They are closed-book quizzes. No study aids are allowed. The use of McMaster standard calculator is allowed.

Mid-Term Test

The test will cover material from the text book, reading, lectures and class discussion. The quizzes will be held randomly. The test is likely to have multiple choice questions and problems. This is a closed-book test. No study aids are allowed. The use of McMaster standard calculator is allowed.

Final Exam

This exam will be non-cumulative. It will cover materials from the text book, reading, lectures and class discussion. This is a closed-book examination. No study aids are allowed. The use of McMaster standard calculator is allowed.

ACADEMIC DISHONESTY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: “Grade of F assigned for academic dishonesty”), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy, located at;

www.mcmaster.ca/academicintegrity

The following illustrates only three forms of academic dishonesty:

1. Plagiarism, e.g. the submission of work that is not one’s own or for which other credit has been obtained.
2. Improper collaboration in group work.
3. Copying or using unauthorized aids in tests and examinations

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 ways:

- a) **for absences from classes lasting up to three (3) days; or**
- b) **for absences from classes lasting more than three (3) days.**
- c) **for conflicts arising from Student Experience - Academic Office approved events**

a) For absences from classes lasting up to three (3) 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 less than **25%** of the course weight. 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. Details are described below.

If the value of the component is worth **25%** or more, students must report to their Faculty Office (the Student Experience – Academic Office for Commerce students) to discuss their situation and will be required to provide appropriate supporting documentation.

Please visit the following page for more information about MSAF:

[http://academiccalendars.romcmaster.ca/content.php?catoid=13&navoid=2208#Requests for Relief for Missed Academic Term Work](http://academiccalendars.romcmaster.ca/content.php?catoid=13&navoid=2208#Requests_for_Relief_for_Missed_Academic_Term_Work)

b) For absences from classes lasting more than three (3) days

Students cannot use the MSAF. They MUST report to their Faculty Office (the Student Experience – Academic Office for Commerce students) 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 Student Experience – Academic Office and discuss their situation with an academic advisor. They will be required to provide supporting documentation and possibly meet with the Manager

c) For conflicts arising from Faculty Office approved events

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 DeGroote Missed Course Work Policy for a list of conflicts that qualify for academic accommodation

<http://ug.degroote.mcmaster.ca/forms-and-resources/missed-course-work-policy/>

Such requests must be made to the Student Experience – Academic Office at least ten (10) working days before the scheduled exam along with acceptable documentation.

Non-Commerce students must submit their documentation to their own Faculty Office and then alert the Student Experience – Academic Office of their interest in an alternate sitting of the midterm.

Adjudication of all requests must be handled by the Student Experience – Academic Office. Instructors cannot allow students to unofficially write make-up exams/tests.

The MSAF cannot be used during any final examination period.

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

POLICY FOR APPROVED MISSED ACADEMIC WORK

Students who cannot write a test, and have advanced knowledge and permission as described above, will be given the opportunity to write an alternate version of the test and an alternate time.

Students who did not write a test, and subsequently provide an MSAF submission, or documentation for which they have been approved by the Student Experience – Academic Office, will have the weight of the missed work reallocated across other course components. The student must follow up with the instructor to understand this process and decision.

Students who submit an MSAF, or have been approved by the Student Experience – Academic Office, for an assignment deadline, will be given an extension of 3 days for the assignment. Please note, the student will ultimately be required to submit the assignment.

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 who require academic accommodation must contact Student Accessibility Services (SAS) to make arrangements with a Program Coordinator. Academic accommodations must be arranged for each term of study. Student Accessibility Services can be contacted by phone 905-525-9140 ext. 28652 or e-mail sas@mcmaster.ca

For further information, consult McMaster University's Policy for Academic Accommodation of Students with Disabilities;

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

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.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your registration and continuous participation (e.g. on A2L, in the classroom, etc.) to the various learning activities of Commerce 3AC3 will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies cannot be invoked at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

COURSE SCHEDULE

**Commerce 3AB3
Intermediate Financial Accounting II
Summer 2017 Course Schedule**

WEEK	DATE	CHAPTER	TOPIC
1	Mon., June 19	Chapter 13	Non-Financial and Current Liabilities
	Wed., June 21	Chapter 14	Long-term Financial Liabilities
2	Mon., June 26	Chapter 15	Shareholder' Equity
	Wed., June 28	Chapter 16	Complex Financial Instruments
3	Mon., July 3		Canada Day: <u>No Classes</u>
	Wed., July 5	Chapter 16	Complex Financial Instruments
4	Mon., July 10		Mid-term (In-class Three hours)
	Wed., July 12	Chapter 17	Earnings Per Share
5	Mon., July 17	Chapter 18	Income Taxes
	Wed., July 19	Chapters 18 and 19	Income Taxes / Pensions
6	Mon., July 24	Chapter 19	Pensions and Other Post-Employment Benefits
	Wed., July 26	Chapter 20	Leases
7	Mon., July 31	Chapters 20 and 21	Leases/Accounting Changes and Error Analysis
	Wed., August 2		Final Examination (In class Three hours)