

**Commerce 3AC3
Financial Accounting II
Winter 2015 Course Outline**

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

COURSE DESCRIPTION

This course explores the issues of accounting measurement and financial reporting introduced in 2AA3 in more depth. It uses case analysis and problem solving to consider a variety of topics essential to understanding contemporary financial statements. The emphasis will be on the recognition and measurement of liabilities and equity and the related impact on income measurement.

INSTRUCTOR AND CONTACT INFORMATION

Name: Dr. Justin Y. Jin, CPA, CA E-mail: jinjus@mcmaster.ca
 Office: DSB 319 Tel: (905) 525-9140 Ext: 26194
 Office Hours: Every Tuesday 11:30-13:30

Student TA (Both are PhD Students in Accounting): Yi Liu: liu377@mcmaster.ca
 Ning Liu: liun4@mcmaster.ca

Class Time and Location:

| | | | |
|-------------------------------|---------------------------------|--------------------------------|------------------------------|
| C03: Tuesday 08:30 - 11:20 | C02: Wednesday 08:30 - 11:20 | C04: Thursday 11:30 - 14:20 | C01: Friday 14:30 - 17:20 |
| Class Location: DSB/B105 | Class Location: DSB/B105 | Class Location: DSB/B105 | Class Location: DSB/B105 |

Course Website: <http://avenue.mcmaster.ca>

COURSE ELEMENTS

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

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| REQUIRED COURSE MATERIALS AND READINGS |
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Intermediate Accounting **10th Canadian Edition**, Volume 2
[Donald E. Kieso](#), [Jerry J. Weygandt](#), [Terry D. Warfield](#), [Nicola M. Young](#), [Irene M. Wiecek](#),
[Bruce J. McConomy](#)
 May 2013, ©2014
<http://ca.wiley.com/WileyCDA/WileyTitle/productCd-EHEP002728.html>

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

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| EVALUATION |
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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

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|----------------------------|-------------|
| Mid-Term Test (individual) | 40% |
| Case Assignment (group) | 5% |
| Quizzes (individual) | 10% |
| Final Exam (individual) | 45% |
| 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/UGCourseMgmt.pdf>, page 15

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 (nainar@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

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.

Group Case Write-Up Assignment

Students should organize themselves into groups of 2-4 students. There are no exceptions to this maximum group size. Assignments from groups comprising 2 students will not be graded any differently than if the group has 4 members. The purpose of this assignment is to help prepare you for the final exam, which may include a case. Groups are allowed to “verbally” discuss the assigned case with each other but are not allowed to share their written work. Only students who constructively contributed should have their names on the assignment. Instructor and TAs will use www.Turnitin.com to check the group case assignment. Turnitin.com is an electronic resource to deter and detect plagiarism.

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: Listen to lectures carefully.**

- 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 5-10 hrs per week studying the text and class notes, preparing for class participation and working through the assigned self-study questions.

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.

TURNITIN.COM LANGUAGE FOR COURSE OUTLINES

In this course we will be using a web-based service (Turnitin.com) to reveal plagiarism. Students will be expected to submit their work electronically to Turnitin.com and in hard copy so that it can be checked for academic dishonesty. Students who do not wish to submit their work to Turnitin.com must still submit a copy to the instructor. No penalty will be assigned to a student who does not submit work to Turnitin.com. All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, etc.). To see the Turnitin.com Policy, please go to www.mcmaster.ca/academicintegrity.

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

Students may request relief from a regularly scheduled midterm, test, assignment or other course component in the following two ways:

- a) **for missed coursework worth less than 30% of the final grade (and/or absences**

lasting less than 5 days); or
b) for missed coursework worth 30% or more of the final grade (and/or absences lasting more than five (5) days

a) For missed coursework worth less than 30% of the final grade (and/or absences lasting less than 5 days)

Students must use the MSAF (McMaster Student Absence Form) for their first incidence of missed coursework worth less than 30% for each term. 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 missed coursework worth 30% or more of the final grade (and/or absences lasting more than five (5) days

Students MUST report to the APO to discuss their situation and will be required to provide appropriate supporting documentation. If approved, students will be given access to the MSAF system where they will be required to enter the details of the missed coursework for which they were approved. 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.

Students who wish to submit more than one request for relief of missed academic work per term cannot use the online MSAF tool without permission. They must report to the APO and discuss their situation with an academic advisor. They will be required to provide supporting documentation and possibly meet with the Manager.

The MSAF cannot be used during any final examination period.

Regarding Midterm Conflicts

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

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

Such requests must be made to the Academic Programs Office at least ten (10) working days before the scheduled mid-term 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

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](#).

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.

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| COURSE SCHEDULE |
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**Commerce 3AC3
Financial Accounting II
Winter 2015 Course Schedule**

| WEEK | DATE | CHAPTER | TOPIC |
|-------------|------------------|--------------------|--|
| 1 | January 5 – 9 | Chapter 13 | Non-Financial and Current Liabilities |
| 2 | January 12 – 16 | Chapter 13 and 14 | Non-Financial and Current Liabilities Long-Term Financial Liabilities |
| 3 | January 29 – 23 | Chapters 14 and 15 | Long-Term Financial Liabilities Shareholders' Equity |
| 4 | January 26 – 30 | Chapters 15 | Shareholders' Equity |
| 5 | February 2 – 6 | Chapters 16 | Complex Financial Instruments |
| 6 | February 9 – 13 | Chapter 17 | Earnings Per Share |
| 7 | February 16 – 20 | Mid-term recess | No Class |
| 8 | February 23 – 27 | Chapter 18 | Income Taxes |
| 9 | March 2 – 6 | Chapters 18 and 19 | Income Taxes Pensions and Other Employee Future Benefits |
| 10 | March 9 – 13 | Chapter 19 | Pensions and Other Employee Future Benefits |
| 11 | March 16 – 20 | Chapters 19 and 20 | Pensions and Other Employee Future Benefits Leases |

| WEEK | DATE | CHAPTER | TOPIC |
|-------------|--------------------|----------------------------|---|
| 12 | March 23 – 27 | Chapter 20 | Leases |
| 13 | March 30 - April 3 | Chapter 21 Chapter 23 | Good Friday, No Classes or Exams Study At Home Accounting Changes and Error Analysis Other Measurement and Disclosure Issues and Update on Pensions and Other Employee Future Benefits |
| | Wednesday, April 8 | Classes end | |
| | | Midterm Exam Final Exam | TBA |
| | | Group Project | Due on April 8, 2015 |