

**Commerce 3AC3
Financial Accounting III
Summer 2015 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: Justin Jin
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Office: DSB 319
Office Hours: by appointment
Tel: (905) 525-9140 ext. 26194

Class Time and Location:
3AC3 Financial Acct III
22/06/2015 - 07/08/2015
Monday and Wednesday
6:30 PM - 9:30 PM
DSB_B107

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

COURSE DESCRIPTION

This course explores the issues of accounting measurement and financial reporting introduced in 3AB3 in more depth. Students undertake an in-depth analysis of the liability 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 current liabilities, long-term liabilities, equity, earnings per share, income taxes, pensions, and leases. Also discussed are the accounting concepts underlying GAAP, with particular emphasis on the revenue/expense recognition principle, as well as an introduction to some of the accounting issues underlying the form and content of the primary financial statements: statement of income and comprehensive income, balance sheet, statement of changes in equity, and the statement of cash flows and notes to the financial statements.

REQUIRED COURSE MATERIALS AND READINGS

1. Intermediate Financial Accounting, 10th Canadian Edition, Volume Two. Kieso, Weygandt, Warfield, Young, Wiecek and McConomy. Wiley, 2013.
2. CICA Handbook (electronic version available in Innis library).
3. Avenue registration for course content, readings and case materials
<http://avenue.mcmaster.ca>

CONDUCT OF CLASSES AND GENERAL APPROACH

A combination of lecture, technical problem solving, case studies, and classroom discussion will be used. Classes will be used to introduce, explain and otherwise clarify new topics and issues. This will be done using examples and/or problems and cases from the textbook. Class lectures are in addition to the textbook. Not all problems and cases will be covered in class. It is of utmost importance that students bring their textbook to every lecture. Other problems will also be introduced in class from time to time. Solutions to short questions, multiple choice questions and problems will be provided, however, students are encouraged to discuss any other problems they have done with the lecturer as well.

Students are expected to be up to date with all topics covered up to and including the previous class.

The following points are of the utmost importance for success in this course:

- You must keep up to date with the topics in this course. Each topic builds on previous topics. If you fall behind and do not understand a previous topic, you will struggle with the other topics.
- Do as many of the problems at the end of each chapter in addition to the suggested practice questions under the Course Schedule section of this outline. Do this only once you have read the chapter thoroughly.
- Make use of the office hours to ask about anything you do not understand. Do not wait until right before the test or exam.
- Attend each and every class.

EVALUATION

- Exams: We will have one mid-term examination and one final examination (date, room and scope of the examination TBA).
- Class Participation: Name cards are used to help give credit for your participation. You must have a name card with your **full first and last name** clearly written and displayed in front of you for every class. Participation in discussion aids in assimilation of concepts and is an essential part of your professional development. Classes are more interesting and intellectually stimulating if there is participation from everyone. In order for you to gain maximum benefit from discussions, it is essential that you complete assigned text material and/or readings in advance, as well as attempt assigned problems. Therefore class participation marks will be awarded on the basis of each student's contribution to discussions, and relevant questions and comments during lectures. Class participation is not equivalent to class attendance. Specifically, students who fail to participate in class discussions will receive a class participation mark of zero, regardless of regular class attendance (a separate component). Students unable to attend class should inform the instructor before class of the conflict.

Components and Weights

Midterm	40%
Quizzes	10%
Group Case Project	10%
Final	40%
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>

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

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.degroote.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](#).

STUDENTS WITH DISABILITIES

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.

COURSE SCHEDULE

**Commerce 3AC3
Summer 2015 Course Schedule**

CLASS	CHAPTER	TOPIC
1 June 22, 2015, Monday	Chapter 13	Non-Financial and Current Liabilities
2	Chapter 14	Long-Term Financial Liabilities
3	Chapter 15	Shareholders' Equity
4	Chapter 16	Complex Financial Instruments
5	Chapter 17	Earnings Per Share
6	Midterm Review and Exercises	
7	Midterm Examination (Ch. 13 to 17)	
8	Chapter 18	Income Taxes

CLASS	CHAPTER	TOPIC
9	Chapter 18	Income Taxes
10	Chapter 19	Pensions and Other Employee Future Benefits
11	Chapter 19	Pensions and Other Employee Future Benefits
12	Chapter 20	Leases
13	Chapter 20	Leases
14	Final Exam (Ch. 18 to 20)	

NOTE: THE CLASS 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