

IBH 1AA3
Financial Accounting Fall 2020 Course Outline

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

INSTRUCTOR AND CONTACT INFORMATION

Dr. Emad Mohammad

mohde@mcmaster.ca

Office: DSB 317

Virtual Office Hours:

[Wednesdays 11 am – noon](#)

Tel: (905) 525-9140 x27432

Class Location: Online

Instructional Assistant

Mr. Karim Karim

karimk7@mcmaster.ca

Teaching Assistant

Each student will be assigned a TA for virtual support, to be posted in Avenue

Course website

<http://avenue.mcmaster.ca>

MS Office Suite

<https://portal.office.com/> or <https://office365.mcmaster.ca/>

All McMaster students have free access to Office 365 on up to 5 devices. Login with your MacID and Password to get access to Office 365.

Top Hat

<https://app.tophat.com/login>

Create an account on Top Hat using your McMaster email address and enter your 9-digit student number in place of Student ID. The class join code is 877190.

COURSE LEARNING OBJECTIVE

This course will help students understand the purpose of accounting, its implementation, its usefulness for decision making, its effect on behaviour and contracts, and its surrounding controversies over accounting methods.

The specific objectives of this course are:

1. Help students develop a thorough understanding of accounting procedures and the choices possible in preparing corporate financial statements.
2. Help students become intelligent readers and users of corporate financial reports, which include the fundamental statements (balance sheet, income statement, retained earnings statement, and cash flow statement) plus explanatory notes, auditor's report, etc.
3. Develop students' appreciation of the usefulness and limitations of financial accounting information.

COURSE DESCRIPTION

This course introduces the fundamental concepts of financial accounting. The focus of this course will be on how accounting is used for recording economic events and for the financial reporting, primarily to users, external to business organizations. The course will emphasize underlying concepts and principles, as well as cover accounting procedures in sufficient detail to enable students to record accounting transactions and prepare financial statements. A major emphasis in the course will be on understanding the information in corporate financial reports and its use by individuals, external to a corporation in making investment and contracting decisions. The course will examine alternative accounting policies and methods that may legitimately be used in financial reporting, and motivations that may influence managers in choosing among them.

LEARNING OUTCOMES

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

1. Read and understand financial statements.
2. Understand the accounting conceptual framework and relate it to all accounting transactions.
3. Understand the accounting cycle and implement all its steps including analyzing, journalizing and posting accounting transactions, preparing end-of-period adjusting entries, preparing pre- and post-adjusting entries trial balance, and preparing closing entries.
4. Prepare financial statements such as the Statement of Earnings, Statement of Retained Earnings, Statement of Changes in Equity, Statement of Financial Position, Statement of Cash Flows.
5. Analyze internal control issues and employ some procedures to deal with them such as Bank Reconciliation Statement.
6. Record and measure of individual elements within the financial statements such as accounts receivable, allowances, contingencies, inventory, long term depreciable and non-depreciable assets, short term and long-term liabilities, and shareholders' equity.
7. Analyze and interpret financial statements using ratio analysis and vertical and horizontal ratio analysis with industry and within the firm over time.

COURSE MATERIALS AND READINGS

Course Website

<http://avenue.mcmaster.ca>

\$ FREE

Required: Pearson MyAccountingLab
7th Canadian Edition by Harrison, Horngren, Thomas

Purchase options:

Option 1: Hardcover version with MyAccountingLab and etext \$140.95

Option 2: Loose Leaf Version with MyAccountingLab and e-text \$ 95.00

Option 3: MyAccountingLab and e-text only. \$ 69.95

Note - MyAccountingLab is mandatory to complete the online assignments

Here is the link to the bookstore purchase:

https://campusstore.mcmaster.ca/cgi-mcm/ws/tsub.pl?wsTERMG1=204&wsDEPTG1=IBH&wsCOURSEG1=1AA3&wsSECTIONG1=DAY%20C01&crit_cnt=1

COURSE OVERVIEW AND ASSESSMENT

LEARNING ACTIVITIES	DELIVERY	DESCRIPTION	TOOL(S)
Self-Study	Asynchronous	Video recordings of modules and assigned readings from the textbooks and other sources.	Avenue to Learn with links to videos on MacVideo.
Virtual Class	Synchronous	One weekly, 100-minute lecture of instructor-led exercises delivered via Top Hat or Learning Catalytics.	WebEx or Zoom during scheduled class time.
Online Quizzes	Asynchronous	Quizzes cover self-study content and is made available for 72 hours. One attempt is allowed with no time limit within the 72 hours.	Pearson's MyAccounting Lab.

Missed tests/exams will receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF. Your final grade will be calculated as follows:

EVALUATIONS	WEIGHT	DESCRIPTION
Online Quizzes	20%	Eight quizzes covering the self-study content throughout the term.
Participation	10%	Credit is given to students for answering ALL questions on Top Hat during virtual classes

Midterm 1: chapters 1, 2, 3 and 9	15%	Saturday Oct 10, 2020 @ 9 am, 2 hrs, online
Midterm 2: chapters 4, 5, and 6	15%	Saturday Nov 14, 2020 @ 9 am, 2 hrs, online
Group Project	15%	Groups of 4-5 students need to meet with the professor throughout the term and submit a research proposal and a final research paper
Final Exam: chapters 7, 8 and 10	25%	Scheduled through Registrar, 2.5 hrs, online

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

COURSE DELIVERABLES

Online Assignments (8 x 2.5% = 20%)

Since this is a flipped course, online assignments will be covering materials for new chapters before they are covered in class. The purpose of this assessment is to make sure that students read the online materials before class. Each online assignment is worth 2.5% of your final grade and must be completed only by the student individually. Receiving direct answers on the assignment questions from any person constitutes a breach of McMaster Academic Integrity Policy. The assignments will be made available on MyAccountingLab from 9:00 p.m. on Wednesday until 11:59 p.m. on Sunday, unless noted otherwise. If an MSAF is used for an assignment, then the 2.5% for that assignment will be added to the final exam. The online assignment dates are as follows:

	Release 9 pm	Close 11:59 pm	Coverage
Practice (Not Graded)	September 9	September 13	Chapter 1
Assignment 1	September 16	September 20	Chapter 2
Assignment 2	September 23	September 27	Chapter 3
Assignment 3	September 30	October 4	Chapter 9
Assignment 4	October 7th	Tuesday October 20th	Chapter 4
Assignment 5	October 21	October 25th	Chapter 5
Assignment 6	October 28	November 1	Chapters 6
Assignment 7	November 4	November 8	Chapter 7 - CL
Assignment 8	November 18	November 22	Chapters 7 - LTL

Midterm Exams (2 x 15% = 30%)

There are two, 2-hour online midterm exams, each worth 15% of your final grade and will be marked individually. The exams will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, Learning Catalytics and class discussion. The format of the exams may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions. Past midterm exams are available on Avenue for practice.

Participation (10%)

Participation marks will be assigned during the synchronous live lectures, and it will account for 10% of the course grade. Students will be asked questions live during the lectures and will respond using the Top Hat or Pearson's Learning Catalytics platform. There is no cost to students for using the Top Hat platform. The Learning Catalytics platform is already included in your Pearson's My Accounting Lab purchase. Marks will be assigned based on both participation and accuracy of responses. Students must be present for the entire 50 minutes of class time. **All questions must be answered throughout the class to be eligible for the mark for the class.**

Final exam (25%)

The online final exam is worth 25% of your final grade and will be marked individually. The exam will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, Learning Catalytics, and class discussion. The format of the exam may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions. Past final exams are available on Avenue for practice.

If a student files a successful MSAF for missing a midterm, the final exam weight will include the weight of the missed midterm exam(s). **For these students, the final exam will include the chapters covered on missed midterm(s).**

The final exam will be for 2 ½ hours.

Group Project (15%)

This group assignment consists of three parts, and groups must finish and submit the first part before you start working on the later parts. The three parts of the assignment are:

Part 1: Research questions. This is the most important step in any research project. Groups are expected to form their own research questions by applying the skills learned in IBH 1BB3, and the accounting knowledge learned in this course. Groups are encouraged to consult with me for guidance in this stage of the project.

Part 2: Data Collection and Data Analysis. Based on the research questions generated in Part1, collect your data and perform the necessary analyses.

Part 3: Results and Conclusions.

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. All students must receive feedback regarding their progress prior to the final date by which a student may cancel the course without failure by default.

- For Level 1 and Level 2 courses, this feedback must equal a minimum of 20% of the final grade.
- For Level 3 courses and above, this feedback must equal a minimum of 10% of the final grade.

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

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

In the event of an absence for medical or other reasons, students should review and follow the Academic Regulation in the Undergraduate Calendar “Requests for Relief for Missed Academic Term Work” and the link below;

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

ACADEMIC INTEGRITY

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. **It is your responsibility to understand what constitutes academic dishonesty.**

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.

For information on the various types of academic dishonesty please refer to the [Academic Integrity Policy](https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/), located at <https://secretariat.mcmaster.ca/university-policies-procedures-guidelines/>

The following illustrates only three forms of academic dishonesty:

- plagiarism, e.g. the submission of work that is not one’s own or for which other credit has been obtained.
 - improper collaboration in group work.
 - copying or using unauthorized aids in tests and examinations.
-

COURSES WITH AN ON-LINE ELEMENT

This course uses on-line elements, such as e-mail, Avenue to Learn (A2L), Top Hat, Microsoft Teams, Facebook, Pearson’s MyAccountingLab, Pearson’s Learning Catalytics. Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, student numbers, usernames for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course.

The available information is dependent on the technology used. Continuation in a course that uses on-line elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure, please discuss this with the course instructor.

ONLINE PROCTORING

This course will use online proctoring tools such as Proctorio, Honorlock, and Lockdown Respondus software for online assignments, midterms, and the final exam. This software will require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software will be required to be installed before the online quizzes and term test begins.

CONDUCT EXPECTATIONS

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the [Code of Student Rights & Responsibilities](#) (the “Code”). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students’ access to these platforms.

ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES

Students with disabilities who require academic accommodation must contact [Student Accessibility Services](#) (SAS) at 905-525-9140 ext. 28652 or sas@mcmaster.ca to make arrangements with a Program Coordinator. For further information, consult McMaster University’s [Academic Accommodation of Students with Disabilities](#) policy.

ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the [RISO](#) policy. Students should submit their request to their Faculty Office **normally within 10 working days** of the beginning of term in which they anticipate a need for accommodation or to the Registrar’s Office prior to their examinations. Students should also

contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

COPYRIGHT AND RECORDING

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

EXTREME CIRCUMSTANCES

The University reserves the right to change the dates and deadlines for any or all courses in extreme circumstances (e.g., severe weather, labour disruptions, etc.). Changes will be communicated through regular McMaster communication channels, such as McMaster Daily News, A2L and/or McMaster email.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your enrolment in Commerce 1AA3 will 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

**IBH 1AA3
Financial Accounting
Fall 2020 Course Schedule**

WEEK	DATE	CHAPTER	ASSIGNMENT
1	Tuesday Sept. 8 Thursday, Sept. 10	Introduction & Chapter 1	The Financial Statements
2	Tuesday Sept. 15 Thursday, Sept. 17	Chapter 2	Recording Business Transactions
3	Tuesday Sept. 22 Thursday, Sept. 24	Chapter 3	Accrual Accounting and the Financial Statements
4	Tuesday Sept. 29 Thursday, Oct. 1	Chapter 9	The Statement of Cash Flows
5	Tuesday Oct. 6 Thursday, Oct. 8	Catch up and Review	In-class review and midterm preparation
	Sat Oct 10	Midterm 1 at 9 am for 2 hours (20%) – Chapters 1, 2, 3 & 9	
	Oct. 12-18	Midterm Recess	
6	Tuesday Oct. 20 Thursday, Oct. 22	Chapter 4	Cash and Receivables
7	Tuesday Oct. 27 Thursday, Oct. 29	Chapter 5	Inventory & Cost of Goods Sold
8	Tuesday Nov. 3 Thursday, Nov. 5	Chapter 6	Property, Plant, and Equipment, and Intangible Assets
9	Tuesday Nov. 10 Thursday, Nov. 12	Catch up and Review	In-class review and midterm preparation
	Sat. Nov 14	Midterm 2 at 9 am for 2 hours (20%) – Chapters 4, 5 & 6	
10	Tuesday Nov. 17 Thursday, Nov. 19	Chapter 7	Current Liabilities
11	Tuesday Nov. 24 Thursday, Nov. 26	Chapter 7	Long Term Liabilities
12	Tuesday Dec. 1 Thursday, Dec. 3	Chapters 8 & 10, Review	Shareholders' Equity & Financial Statement Analysis
13	Tuesday Dec. 8	Catch up and Review	In-class review and final preparation