

**Commerce 4AK3
Accounting Information for Decision Making
Winter 2023
Course Outline**

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

COURSE OBJECTIVE

The objective of this course is to introduce the use of accounting information in decision making to individuals. This objective will be accomplished by teaching students the principles of financial and managerial accounting for the purpose of enhancing their financial literacy. This course focuses on accounting information for internal and external users of an organization. Students who complete this course will be expected to identify the sources of relevant accounting information and use this information in decision-making.

INSTRUCTOR AND CONTACT INFORMATION

Section: C01
Instructor: Greg Rombough, MBA, CPA, CMA
Email: rombough@mcmaster.ca
Office: DSB A102
Office Hours: [Friday 12-1pm](#) or by appointment

Teaching Assistants: [Chang Eui Yoon](#)

COURSE ELEMENTS

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

COURSE DESCRIPTION

This course covers the basic principles in financial and managerial accounting as well as the use of accounting information in decision making. For financial accounting, the course covers the conceptual framework of accounting, Generally Accepted Accounting Principles/International Financial Accounting Standards, financial statements, and financial statement analysis. For managerial accounting, the course covers cost behaviour, cost assignment, cost-volume-profit relationships, relevant costing in decision making, budgeting and variance analysis in management control.

LEARNING OUTCOMES

Upon completion of this course, students will be able to:

- Demonstrate the use of financial statements to interpret the financial performance and position of a firm.
- Compute financial ratios to analyze the profitability, activity, solvency, and liquidity of a firm using vertical and horizontal analysis, including comparison to industry benchmark.
- Assign cost to cost objects, such as the manufacturing cost of a product or cost of a job order, using traditional volume-based costing and activity-based costing.
- Identify behaviour of cost objects and use relevant costs/revenues in non-routine decision making in a short-term and long-term dimension.
- Demonstrate application of cost-volume-profit analysis in determining production goals to achieve break even or target profits.
- Assess the financial implementation of short and long-term business plans of an organizational unit or project.
- Prepare budgets and evaluate performance of a firm/business unit using variance analysis.

REQUIRED COURSE MATERIALS AND READINGS

[FINANCIAL SYSTEMS AND ACCOUNTING INFORMATION FOR DECISION MAKING W/ MYLAB ACCOUNTING](#) (Ignore the 2022 date)

COURSE OVERVIEW AND ASSESSMENT

Activity	Delivery	Description	Tools
Lecture Content	Synchronous	Weekly lectures	In-person/Zoom/Top Hat
Readings	Asynchronous	Tied to weekly topics	Text readings and readings linked in Avenue
Group Discussions	Sync/Asynchronous	Synch: Discussions during lecture Asynch: Project Groups	In-person/Zoom/Top Hat
Assignments	Asynchronous	Individual Online Assignments Group Project	Myaccountinglab (via Avenue)
Midterm/Final	Synchronous	Content Assessment	In-person

EVALUATION

Learning in this course results primarily from readings, in-class discussion, assignment, and case studies. Students will be evaluated on an individual basis for their participation in in-class discussion and group work is required for the Business Analytics Project where group members will share the same grade. Your final grade will be calculated as follows:

Components and Weights

	Option #1	Option #2
Class Participation/Activities	10%	
Online Assignments (best eight assignments @ 1.25% each)	10%	
Midterm	25%	35%
Business Analytics Project using Power BI (see folder on Avenue)	10%	10%
Final Exam (Comprehensive)	<u>45%</u>	<u>55%</u>
Total	<u>100%</u>	<u>100%</u>

COURSE DELIVERABLES

Class Participation/Activities

Class participation is an essential part of the course. Students are expected to study the assigned materials in advance and be prepared to discuss them during class. Marks assigned for class participation will be based mostly on discussions and activities related to in-class cases and problems. Students will also be responsible for selecting a publicly traded company to follow throughout the course. Current examples of accounting related events/issues will be discussed in class.

Students will be asked questions live during the lectures and will respond using the Top Hat platform in some cases. There is no cost to students for using the Top Hat platform. Marks will be assigned based on both participation and accuracy of responses.

Online Assignments

Students are required to submit weekly assignments: Assignments are available to be completed for approximately 1 week. These assignments are available on **MyLab Accounting**, and students must complete and submit the assignments online through **MyLab Accounting**. Please check Student Registration Instructions posted on the course website on Avenue for registration on **MyLab Accounting**. Late submission will not be accepted for marking, i.e., a grade of **ZERO** will be assigned accordingly.

Midterm and Final Exam

The midterm and final will be marked individually. The exams will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, and class discussion. The format of the exams may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions.

The final examination will be comprehensive. The rules customarily followed by the DeGroote School of Business will govern absence from the examinations.

NOTE: The use of a McMaster standard calculator ([Casio FX-991](#)) is allowed during examinations in this course.

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. 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 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.

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](#).

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.

AUTHENTICITY/PLAGIARISM DETECTION

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software.

All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

ONLINE COURSE COMPONENTS

This course uses online elements (e.g. email, Avenue to Learn, etc.). 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, user names 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 online 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 may use online proctoring software for tests and exams. This software may 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 may be required to be installed before the test/exam 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.

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.

REQUESTING RELIEF FOR MISSED ACADEMIC WORK

Students may request relief from a regularly scheduled midterm, test, assignment or other course components. **Please follow the submission process described by your home faculty.** Once approved, students must follow up with the instructor to understand how the missed work will be made up.

STUDENT ACCESSIBILITY SERVICES

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.

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 4AK3 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

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Lecture	Week	Topic	Reading
1	10-Jan	The Financial Statements	Ch. 1
2	17-Jan	The Accounting Cycle	Ch. 2
3	24-Jan	Accrual Accounting	Ch. 3
4	31-Jan	The Statement of Cash Flows	Ch. 6
5	07-Feb	Liabilities	Ch. 4
		Shareholder Equity	Ch. 5
6	14-Feb	Financial Statement Analysis	Ch. 7
	21-Feb	Reading Week	
7	28-Feb	Midterm	
8	07-Mar	Cost Terminology and Purposes	Ch. 8
9	14-Mar	Job Costing	Ch. 10
10	21-Mar	Activity-Based Costing	Ch. 11
11	28-Mar	CVP Analysis	Ch. 13
12	4-Apr	Decision Making and Relevant Costing	Ch. 9
13	11-Apr	Master Budget and Responsibility Accounting	Ch. 12

Tentative course outline is subject to change.