

**Commerce 2AB3  
Financial Accounting  
Summer 2023 Course Outline**

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

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***COURSE OBJECTIVE***

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The objective of this course is to develop the students' analytical abilities to deal with problems relating to financial situations within the firm. This course deals with the role of accounting in an organization's planning and control system which includes costing, cost allocation, variance analysis, responsibility accounting, performance evaluation, and incentive compensation.

There are four overall goals for the course, each of which is covered in the following sequence:

- 1) Foundation of management accounting.
  - 2) Using management information in decision making.
  - 3) Designing and Implementing Cost Accounting Systems.
  - 4) Performance Evaluation.
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***INSTRUCTOR AND CONTACT INFORMATION***

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**Karim Karim, P. Eng, MBA, B.A.Sc.**

[karimk7@mcmaster.ca](mailto:karimk7@mcmaster.ca)

Office: DSB 318

Office Hours: after class or by appointment

**Teaching Assistant**

Office Hours – In-person, prior to class from 6 pm to 6:45 pm in room ITB 139 starting June 27<sup>th</sup>.

In addition, each student will be assigned a TA for virtual email 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.

### ***COURSE ELEMENTS***

Credit Value: 3	Leadership: Yes	IT skills: Yes	Global view: Yes
A2L: Yes	Ethics: Yes	Numeracy: Yes	Written skills: Yes
Participation: Yes	Innovation: Yes	Group work: No	Oral skills: No
Evidence-based: Yes	Experiential: No	Final Exam: Yes	Guest speaker(s): No

### ***COURSE DESCRIPTION***

This course provides an introduction to the fundamental concepts of managerial accounting. The focus of the course will be on the accounting function internal to organizations. Managerial accounting is concerned with the analysis of and accounting for costs, managerial planning, decision making and control. The nature and behaviour of costs and the usefulness and limitations of accounting data for these purposes are studied. Managerial accounting, while providing some data for financial statements prepared for external users, has as its primary purpose in the development and presentation of information useful to internal management for decision making, planning and control.

### ***COURSE LEARNING OUTCOMES***

The objective of this course is to develop the students' analytical abilities to deal with problems relating to financial situations within the firm. This course deals with the role of accounting in an organization's planning and control system which includes terminology and ideas on cost behaviour, cost-volume-profit relationships, simple non-routine decision making, income effect of variable costing versus absorption costing, job-order costing, process costing, activity-based costing, budgeting, and variance analysis.

There are four overall goals for the course, each of which is covered in the following sequence:

1. Foundation of management accounting.
2. Using management information in decision making.
3. Designing and Implementing *Cost Accounting* Systems.
4. Performance Evaluation.

In this course, you will develop problem-solving skills, whereby you will be able to apply your understanding of managerial accounting concepts to solve business problems in the real world. This course will help all students (whether or not you are aiming for an accounting career) understand what accounting can do for decision makers, and its use for planning and control functions.

## **COURSE MATERIALS AND READINGS**

### **Course Website**

<http://avenue.mcmaster.ca>

FREE

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

FREE

Weygandt, Kimmel, Kieso, and Aly, “Managerial Accounting: Tools for Business Decision-Making”, 6<sup>th</sup> Canadian Edition, 2021, Wiley.

Two options are available in the bookstore:

Option 1: Loose leaf + WileyPLUS (includes online E-Text); ISBN 9781119731818; **\$99.00**.

Option 2: E-Text + WileyPLUS; ISBN 9781119731801; **\$70.95**.

*The bookstore link for the textbook purchase will be posted in Avenue when it is available.*

**Note - WileyPLUS is mandatory to complete the online assignments**

## **COURSE OVERVIEW AND ASSESSMENT**

Your final grade will be calculated as follows:

<b>EVALUATION</b>	<b>WEIGHT</b>	<b>DESCRIPTION</b>
<b>Online Assignments</b>	10%	Conducted on WileyPLUS covering the self-study content throughout the term.
<b>Participation Via Top Hat</b>	10%	Half the marks are for participation and the other half for getting the answers correct on Top Hat during classes.
<b>Midterm: Chapters 1, 2, 8, 6, and 7.</b>	35%	Tuesday July 11th. In-person, 2 hours.
<b>Final Exam: Chapters 3, 4, 5, 10, 11, 12</b>	45%	Thursday August 3rd. In-person, 2 hours.

### **NOTES:**

- Missed tests/exams will receive a grade of zero unless the student has submitted and been approved for a Notification of Absence or MSAF.
- The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy.

## ***COURSE DELIVERABLES***

### ***Online Assignments (10%)***

The homework assignments are hosted by the WileyPLUS platform. WileyPLUS is accessible through Avenue, but you will require a registration code (available for purchase through the bookstore with either of the two options listed above). It is highly recommended to set up your WileyPLUS access well in advance of attempting your first assignment in case of any technical issues.

Homework Assignment problems also offer helpful links that direct students to the appropriate e-text material to help guide the students. Suggested End of Chapter Practice Problems and solutions are also available through WileyPLUS.

Please note that after submitting your Assignment, Wiley will show a score of zero which will get updated to your actual score 15 mins after the due date.

Individual extensions for Assignments are not provided to any students (including SAS) since the answers are released to all students after the due date.

If an MSAF is applied to a Homework Assignment, then the 2.5% weight of that Assignment will be moved to the Final Exam.

**It is a breach of academic integrity to do the assignments with a tutor or tutoring service or other students. The assignment must be done individually by the student.**

The online assignment dates are as follows:

<b>Assignment</b>	<b>Date Released</b>	<b>Date Closed</b>	<b>Coverage</b>
Assignment 1	Wed Jun 21 <sup>st</sup> @ 8 am	Wed June 28th @ 11:59 pm	Chapters 1, 2, 8
Assignment 2	Thu June 29th @ 8 am	Thu July 6th @ 11:59 pm	Chapter 6, 7
Assignment 3	Wed July 12th @ 8 am	Mon July 24th @ 11:59 pm	Chapter 3, 4, 5
Assignment 4	Tue July 25th @ 8 am	Tue Aug 1st @ 11:59 pm	Chapter 10, 11, 12

### ***Participation (10%)***

Participation marks will be assigned during the lectures. Students will be asked questions in person during the lectures and will respond using the Top Hat platform. There is no cost to students for using the Top Hat platform. Half the marks will count for participating on the question and the other half for getting the answer to the question correct. **It is a breach of academic integrity to do the Top Hat from outside the classroom.** You must be physically present in the classroom to attempt Top Hat.

### ***Midterm Exam (35%)***

The midterm exam will be in-person and will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, and class discussion. **Students will be required to use their laptop to write the midterm exam.** The format of the exam may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions. Past midterm exams will be made available on Avenue for practice.

There is no alternate midterm write date. Students who miss the midterm, whether they obtain a successful MSAF or not, will write a cumulative final exam that includes the midterm chapters. Those who obtain a successful MSAF will have the midterm weight transferred to the final exam. Those who do not obtain a successful MSAF will get a zero on the midterm weight. Since the midterm weight is more than 24%, students cannot self-MSAF the midterm and will have to apply for the MSAF from their faculty office if they miss the midterm.

### ***Final exam (45%)***

The final exam will be in-person and will cover material from the textbook, readings, lectures, online material, tutorials, online assignments, and class discussion. **Students will be required to use their laptop to write the final exam.** The format of the exam may include True/False, Multiple-Choice, Fill in the Blank and/or Written Questions. Past final exams will be made available on Avenue for practice.

If a student obtains a successful MSAF for missing a midterm, the final exam weight will include the weight of the missed midterm exam.

Students who miss the midterm, whether they obtain a successful MSAF or not, will write a cumulative final exam that includes the midterm chapters. Those who obtain a successful MSAF will have the midterm weight transferred to the final exam. Those who do not obtain a successful MSAF will get a zero on the midterm weight.

### ***Tutorials***

This is not a marked component. Students in the past have found these to be useful for their examination performance. Tutorials are an extension of the classroom lectures. The content covered in the lectures is applied through practice problems covered in the tutorials. The tutorials are Asynchronous, hence there are no live tutorials. Tutorial questions will be posted in-advance for students to attempt. Recorded solutions will be posted in Avenue by the teaching assistants. For any follow-up help, students may contact their assigned TA for direct one-on-one assistance. Students will find the tutorials to be very helpful for midterm and final exam preparations.

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## **COMMUNICATION AND FEEDBACK**

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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.

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## **REQUESTING RELIEF FOR MISSED ACADEMIC WORK**

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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/>

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## **ACADEMIC INTEGRITY**

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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](#), 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.

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### ***AUTHENTICITY/PLAGIARISM DETECTION***

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**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](http://www.mcmaster.ca/academicintegrity).

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### ***COURSES WITH AN ON-LINE ELEMENT***

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**Some courses may** use on-line elements (e.g. e-mail, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, 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 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.



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## **ONLINE PROCTORING**

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**Some courses 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.

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## **CONDUCT EXPECTATIONS**

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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.

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## **ACADEMIC ACCOMMODATION OF STUDENTS WITH DISABILITIES**

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

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

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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.



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### ***COPYRIGHT AND RECORDING***

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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.

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### ***EXTREME CIRCUMSTANCES***

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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.

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### ***ACKNOWLEDGEMENT OF COURSE POLICIES***

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Your enrolment in Commerce 1AA3 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**

DATE	CHAPTER	TOPIC
Tue June 20th	Introduction Chapters 1, 2	Overview of Managerial Accounting Introduction to Cost Terms & Fundamental Concepts
Thu June 22nd	Chapters 2, 8	Determining Cost Behavior Absorption Costing vs. Variable Costing (Omit Appendixes 8A&8B)
Tue June 27th	Chapter 6	Cost-Volume Profit Analysis
Thu June 29th	Chapter 7	Incremental Analysis for Decision Making
Tue July 4th	Chapter 3	Job-Order Costing System
Thu July 6th	Catch up as needed.	
Tue July 11th	<b>Midterm Exam at 7:00 pm for 2 hours – Chapters 1, 2, 8, 6, &amp; 7. Room PGCLL B138, Laptop Required</b>	
Thu July 13th	Chapter 5	Activity Based Costing System
Tue July 18th	Chapter 4	Process Costing
Thu July 20th	Chapter 10	Budgetary Control
Tue July 25 <sup>th</sup>	Chapter 11	Flexible Budgets & Variances Analysis Part 1
Thu July 27 <sup>th</sup>	Chapter 12	Flexible Budgets & Variances Analysis Part 2
Tue Aug 1 <sup>st</sup>	Catch up as needed.	
Thu Aug 3rd	<b>Final Exam at 7:00 pm for 2 hours – Chapters 3, 5, 4, 10, 11, 12. Room PGCLL B138, Laptop Required</b>	

***Suggested End of Chapters Exercises & Practice Problems\****

<b>Chapter</b>	<b>Suggested Exercises &amp; Practice Problems</b>
2	1, 2, 4, 8, 12, 13, 16, 23, 32, 33a, 55.
8	1, 4, 5, 8, 10, 11, 23, 28.
6	1, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 17, 18, 22, 27
7	2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 14, 15, 16, 19, 20
3	18, 19, 20, 21, 26, 29, 34, 46.
5	7, 12, 14, 16, 17, 18, 20.
4	14, 15, 16, 19, 24
10	BE10-1, 2, 3, 8, 9, E10-17, 21, 22, 23, 26, 31, P10-33A, 42A, 44A, 45B
12	4, 5, 6, 7, 8, 10, 11, 23, 28, 29, 33, 34, 36, 37, 38, 39, 40.

**\*Solutions to the suggested exercise and problems are available on Avenue.**