

School of Administrative Studies
Faculty of Liberal Arts and Professional Studies
York University

COURSE OUTLINE
Winter 2021
AP/ADMS 4520
Advanced Financial Accounting

Section	Day	Time	Location	Instructor	Start Date
M	Friday	11:30 – 14:30	Online	Mary Li Zhi Ma mlizhiyk@yorku.ca	January 15, 2021
N	Friday	14:30 – 17:30	Online	Mary Li Zhi Ma mlizhiyk@yorku.ca	January 15, 2021
O	Wednesday	19:00 – 22:00	Online	Mary Li Zhi Ma mlizhiyk@yorku.ca	January 13, 2021

Course Websites: <https://eclass.yorku.ca/eclass/course/view.php?id=37581>

Description

This final financial accounting course emphasizes accounting for inter-corporate investments and international activities, and the application of accounting principles to case situations in specialized industries, non-profit organizations, and public sector.

Prerequisites

- 1) for students in an Honours program, 78 credits including AP/ADMS 3595 3.00, AP/ECON 1000 3.00.
- 2) for other students, these above-listed courses and an average grade of C+ or better in AP/ADMS 3585 3.00 and AP/ADMS 3595 3.00. Course credit exclusion: AP/ADMS 4520 3.00.

Notes

1. Students with outstanding deferred exams in prerequisite courses CAN NOT enroll in this course.
2. Students are personally responsible for ensuring that they have the necessary prerequisites for this course. The School of Administrative Studies (SAS hereafter) reserves the right to de-enroll any students without the necessary listed prerequisites. Any enquiries regarding prerequisites should be cleared prior to registration.
3. Students are reminded that not all courses that are required for the completion of a given degree can be offered in every semester. Please note, therefore, that students must plan their course sequencing carefully in order to complete their degree within the desired time frame.
4. Requests for late withdrawals from the course for students who did write the midterm exam shall only be supported for compassionate or work-related reasons.

Course Coverage, Targeted Students, and Course Objectives

This course focuses on advanced topics in accounting and covers three broad areas of accounting: i) intercorporate investments, business combinations and consolidations; ii) foreign currency transactions and operations; and iii) not-for-profit organizations and public sector financial reporting. In addition, this course also

includes brief discussion of interim reporting and segmental disclosures. By nature, such topics are highly theoretical and technical.

This course is of primary interests to students who intend to pursue a career in professional accounting. Indeed, it is inconceivable how a student who has not taken advanced accounting can honestly claim to be an accounting major. Specifically, this course is suitable to students who have acquired the conceptual base of ADMS 3585 and ADMS 3595, and are prepared to learn to deal with more complex and highly technical financial accounting issues through studying this course.

The objective of this course is tri-dimensional. First, this course aims to hone students' ability and skills to recognize and resolve highly technical recording and reporting issues of the covered topics of financial accounting, in both routine and complex and unusual situations. Second, this course emphasizes relevant theories which help students to exercise professional judgment in complex and unusual situations, and improve students' application of the relevant concepts and technical skills in such unique situations. Last but most importantly, this course focuses on developing high competencies for most covered topics as required by the CPA Professional Education Program.

Class Lectures and Weekly Zoom Meeting

Pre-recorded lecture videos will be posted each week before the lecture time. Students are expected to read the chapter of the textbook, read lecture notes, listen to the pre-recorded lecture audio recording, and practice the weekly problems, way before the scheduled class time. A weekly 90-minute virtual meeting via Zoom will be held during the scheduled class time for each section; specifically, the Zoom meeting is between 11:30 am – 13:00 pm on Friday for Section M, 14:30 – 16:00 pm on Friday for Section N, and 19:00pm-20:30pm on Wednesday for Section O. The weekly meetings will take the form of a tutorial/office hours to allow face-to-face instruction and are unstructured, drop in, first come first served sessions. These virtual meetings will not be recorded.

Assigned Readings

Readings for this course includes the following book and material. The book is available for purchase from the York University bookstore.

1. Advanced Financial Accounting, Thomas H. Beechy, V. Umashanker Trivedi, and Kenneth MacAulay, 7th Edition, Pearson Canada.
2. Course material placed on the Course Website.

Do not use previous editions of the textbook.

Recommended Reference Materials

CPA Canada Standards and Guidance Collection (CPACHB), 2020 Edition (You should be able to access them online via the library). The ebook is very comprehensive in its coverage of Canada accounting standards and guidance. The only useful content to ADMS4520 are (1) CPA Canada Handbook – Accounting (CPACA) (You can find it by double-clicking the “Accounting” Directory in the ebook); (2) CPA Canada Public Sector Accounting Handbook (CPAPSA) (You can find it by double-clicking the “Public Sector Accounting” Directory in the ebook, then choose the folder named “Public Sector Accounting Standards”).

Note that the textbook publisher provides students with access to a comprehensive Online Learning.

CPACHB is authoritative and has priority in case textbook content and/or course material at the Course Website is inconsistent with CPACA or CPAPSA.

Copyright Infringements

Students are reminded that in terms of Canadian copyright law, the owners of textbooks are only allowed to photocopy TEN PERCENT of the material from that textbook provided the photocopied material is for their own use.

Grading Scheme

The course grade shall be determined as follows:

Components	Weight	Due Date	Notes
Individual Term Project	15%	23:59pm, February 7, 2021	See instructions below
Group Term Project (in groups of 3)	20%	23:59pm, March 28, 2021	See instructions below
Quizzes, a set of 5	10%		See instructions below
Midterm Exam	25%	Sunday 6-9pm, February 28, 2021. Online	3 Hours. Coverage: Chapters 1-6, including Appendices 2A, 3A, 5A 5B
Final Exam	30%	Final Exam Period (To be announced)	3 Hours Coverage: Chapters 1-11, including Appendices 2A, 3A, 5A & 5B
Total	100%		

Term Projects

Term projects provide an opportunity to apply the skills learnt from the course, prepare students for the midterm and final exams, and are useful for monitoring progress and for obtaining personal feedbacks from the marker and/or professor. Term projects include one individual project and one case write-up group project. All term project reports must be typed, double-spaced, use 12 point font, except for tables, and be submitted in pdf or word format in Turnitin before the deadline. Please note that faxed, printed or emailed term project reports will not be accepted under any circumstance. Late submissions will lose 20% per day. MISSED TERM PROJECTS CANNOT BE MADE UP NOR CAN THEIR WEIGHT BE TRANSFERRED TO OTHER COMPONENTS OF THE COURSE.

All term project reports will be graded and returned as soon as possible (within one or two weeks usually). Common error sheets will be provided to indicate general errors. Logic and assumptions must be stated where applicable. As a variety of directive and non-directive questions are used, students must use judgment as to the style of response that seems appropriate.

Individual Term project

This term project is to be done individually and independently. One of the main goals is to make students familiar with how the course materials apply in real-life business combinations and acquisition of associates. This project is due on February 7, 2021 before 23:59pm (see the grading scheme and weekly course schedule too).

Each student must do the following:

Find the 2019 Annual Report and Consolidated Financial Statements for the year ended December 31, 2019, for Barrick Gold Corp., available at <https://www.barrick.com/English/investors/annual-report/default.aspx>. Read it carefully and highlight any information related to the business combination between Barrick Gold Corp. and Randgold Resources Ltd. Prepare a case report for this business combination by using the CPA

way of case writing, and the analysis section of your case report should include at least the following contents:

1. A detailed analysis of accounting for business combination regarding the acquisition (can be done in a table format)
 - How did Barrick Gold account for each element (e.g., each asset and liability acquired) of the transaction;
 - How is each element consistent with IFRS and with what we learn from the book. The related IFRS rule, its content and its application to this business combination must be analyzed.
 - Whether or not IFRS allows other options for each element
 2. Assuming that Barrick Gold acquires only 70% rather than 100% outstanding common share of Randgold Resources, with all considerations given keeping unchanged. How should Barrick Gold account for each element of the transaction, following IFRS?
 3. Assuming that Barrick Gold acquires only 35% rather than 100% ownership of Randgold Resources, and acquire it as an associate rather than as a subsidiary. Assuming that all considerations given by Barrick Gold to Randgold Resources remain unchanged, how should Barrick Gold account for the transaction and its elements, consistent with IFRS?
 4. Your conclusion as to what we learn in class about business combination and investment in associates applies in real life.
- Submit your report as a single PDF or as a single WORD file in Turnitin.

The assignment will make up 15% of your grade. Further guidelines for the assignment will be posted to the course website.

Case Write-up Group Project

This group project, to be done in groups of THREE or FOUR, is to write a multi-competency case that would normally take a student 90-120 minutes to answer. The case must include a minimum of two enabling competencies and a minimum of three specific accounting issues covered in this class. The enabling competency is NOT allowed to be about business combination because business combination is the focus of the individual project. This assignment is due on March 21, 2021 before 23:59pm (see the grading scheme and the weekly course schedule too).

Each case write-up report must including the following:

- Written Case
- Written suggested response
- Marking/evaluation guide
- Resource/background material if used e.g. Annual Report, articles

The case write-up project will make up 20% of your course grade. Further guidelines will be posted to the course website. While formal peer review is not part of this exercise due to the small group and class sizes, lack of contribution, effort or engagement with the group assignment will not be tolerated. Disputes with respect to effort and grading will be handled on a case by case basis. If evidence shows that a student does not contribute a fair allocation of work, that student will receive a reduced mark or even a zero mark for the group case assignment. The member students for a group can come from different sections of ADMS4520. Failure to complete the group case assignment in a group of three or four students will result in a grade of zero unless prior approval has been obtained from the course director.

For both term projects, it is important for students to abide by the senate policy of Academic Honesty, and the punishment is severe if a student commits plagiarism. This policy is available at: http://www.yorku.ca/spark/academic_integrity/index.html

Quizzes

There are a set of four 70-minute quizzes during the term consisting of multiple choice questions, with each quiz worth 2% course mark. The purpose of these quizzes is to ensure that students stay up to date in the course. Please see the Weekly Course Schedule for the specific schedules for quizzes. The quizzes are held at Eclass course website; students are allowed one attempt for each quiz. The quiz is open between 18:00pm and 23:59pm at a quiz date, and a student can start the quiz any time between 18:00pm to 21:49pm but no later than 22:49pm so that you can finish the 70-minute quiz before 23:59pm. Failure to complete a quiz before 23:59pm of a quiz date will result in a grade of zero unless prior approval has been obtained from the course director. No course-related materials are allowed during any quizzes. As with term projects, weighting for missed quizzes cannot be transferred to any other quizzes or to final exam.

Midterm and Final Examinations

Midterm exam represents 20% and final exam represents 30% of the overall course marks. Both exams are three-hour, closed-book and online exams at Eclass course website. The mid-term exam covers Chapters to date as specified in the Weekly Course Schedule of this course outline, and final exam is comprehensive and covers all Chapters. The exam format includes problem-solving questions and cases. See Weekly Course Schedule for exam schedules for both midterm and final. More detailed regarding the online exam will be provided by the instructor in class.

Materials eligible for examinations include all assigned readings, class discussions, lectures, quizzes, and homework assignments. Examinations may cover material taken up to and including the previous class. No course-related materials are allowed during exams.

Absences from exams are not acceptable and make-up or accommodation exams will not be provided. You will be awarded zero marks for such absences. Absences from exams for medical or serious personal reasons must be documented by a note from a doctor and the instructor must be notified **before** the exam, then the weight of such missed exams will be transferred to the final exam. We enforce York University's policy on exams and please see subsection titled **"IMPORTANT EXAM INFORMATION"** **"ABSENCE FROM EXAMS"** and **"FINAL EXAM REVIEW/REAPPRAISAL"** on pages 7-9 of this course outline for details about exam policies.

Eclass Course Website

The Eclass course website is used as a central bulletin board on which items will be electronically posted. Students are expected to check the course website at least twice each week. Any announcements made to the entire class will be posted at the course website, along with all lecture notes, assignments, and solutions.

In the past, students have found it very helpful to have common questions and answers posted to the course website. You can use the Open Forum tab of the Moodle website to post and receive responses from your instructor. Students are also welcome to email the instructor directly for questions that they would prefer not to be posted to the course website. In addition, if the question is of interest to other students, the instructor will extract the question from the e-mail and response to the whole class. If a student would prefer that the question not be shared with the whole class, please indicate that clearly in e-mail.

Contacting the Instructor

The best way for a student to contact the instructor for personal matters is by e-mail. Students can also contact the instructor for academic question as mentioned above. If a student would like to have a Zoom meeting with the instructor, the student should set up an appointment by email.

Weekly Course Schedule

The list of lecture topics and readings below indicates the material to be read, reviewed and/or prepared for each class session. If any change in this schedule becomes necessary, notifications will be given.

ADMS 4520 Course Schedule – Winter 2021					
Week	BTM Readings	Suggested References for IFRS and Other Standards	Topic and CMD Suggested Readings	Assigned Problems & Cases	Term Project Due Time
1. January 13,15	Chapter 1 Chapter 2 and online Appendix 2A	<ul style="list-style-type: none"> •IFRS 1 •IFRS 9 •IAS 27 •IAS 28 •IFRS 11 •ASPE S1500, S3051, S3056, S3856 	Setting the Stage Intercompany Equity Investments: An Introduction R1) IFRS 9 Financial Investments (2014); IFRS 10 Consolidated Financial Statements (2011); IFRS 11 Joint Arrangements (issued 2011).	Chapter 2, all	
2. January 20,22	Chapter 3, and online Appendix 3A	<ul style="list-style-type: none"> •IFRS 3 •IAS 27 •IAS 28 •IFRS 10 •ASPE S1582; S1591; S3051 	Business Combinations R2) IFRS 3 Business Combinations (2008); IAS 27 (2011); IAS 28 (2011). R3) A Guide to the Revised IFRS 3 and IAS 27.	Chapter 3, all	Quiz #1 – Chapters 1-3 January 24, 6pm at eclass.
3. January 27, 29	Chapter 4	<ul style="list-style-type: none"> •IAS 27 •IAS 28 •IAS 36 •IFRS 10 •IFRS 11 ASPE S1591; S3051; S1601; S3063 	Wholly Owned Subsidiaries: Reporting One Year Subsequent to Acquisition R4) IFRS 10 Consolidated Financial Statements (2011); IAS 27 (2011); IAS 28 (2011).	Chapter 4, all problems related to consolidation one year after acquisition	
4. February 3, 5	Chapter 5 including appendices 5A and 5B online	<ul style="list-style-type: none"> •IAS 27 •IAS 28 •IFRS 10 •IFRS 11 •ASPE S1591; S3051; S1601 	Consolidation of Non-Wholly Owned Subsidiaries R4) IFRS 10 Consolidated Financial Statements (2011); IAS 27 (2011); IAS 28 (2011).	Chapter 5, all	Individual Project Due – Turnitin February 7, 23:59pm
5. February 10, 12	Chapter 6	<ul style="list-style-type: none"> •IAS 28 •IAS 36 •IFRS 3 •IFRS 10 •IFRS 11 •ASPE S1591; S3051; S1601 	Subsequent-Year Consolidations: General Approach R4) IFRS 10 Consolidated Financial Statements (2011; amended); IAS 27 (2011); IAS 28 (2011).	Chapter 6, all	Quiz #2 – chapters 5-6, February 21, 6pm at eclass
READING WEEK February 13-19 No classes					
6. February 24, 26	Chapter 7	<ul style="list-style-type: none"> •IFRS 8 •IAS 34 	Segment and Interim Reporting R5) IFRS 8 Segment Disclosures (2006); IAS 34 (1999).	Chapter 7, all	
7. February 28	Midterm exam time: Sunday 18:00–21:00pm, February 28, 2021 Online at Eclass course website Coverage of the midterm: Chapters 1-6 and materials at course website				

ADMS 4520 Course Schedule – Winter 2021					
Week	BTM Readings	Suggested References for IFRS and Other Standards	Topic and CMD Suggested Readings	Assigned Problems & Cases	Term Project Due Time
8. March 3,5	Chapter 8	<ul style="list-style-type: none"> •IFRS 7 •IFRS 9 •IAS 21 •IAS 32 •IAS 39 (only macro hedge) •ASPE S1651; S3856 	Foreign Currency Transactions and Hedges R6) IFRS 7; IFRS 9; IAS 21; IAS 32; IAS 39 (only Macro hedge).	Chapter 8, all	
9. March 10,12	Chapter 9	<ul style="list-style-type: none"> •IAS 21 •IAS 29 •ASPE S1651 	Reporting Foreign Operations R7) IAS 21; IAS 29	Chapter 9, all	
March 12 is the last date to drop the course without receiving a grade. (If dropping in the Course Withdrawal Period March 13–April 12, you will receive a grade of “W” on your transcript). See Registrar’s Office website for details.)					
10. March 17,19	Chapter 10	<ul style="list-style-type: none"> •ASNPO S4400 - S4470 •PS 4200 – PS 4270 	Financial Reporting for Non-Profit Organizations R8) ASNPO S4400 - S4470. R9) PS 4200 – PS 4270.	Chapter 10, all	Quiz #3 – Chapters 8-9, March 21, 6pm at eclass
11. March 24, 26	Chapter 11	<ul style="list-style-type: none"> •PS 1000 – PS 3510 	Public Sector Financial Reporting R10) PS 1000 – PS 3510.	Chapter 11, all	Case Write-Up Due – Turnitin March 28, 23:59pm
12. March 31, April 9	Review		Review chapters 1-11		Quiz #4 – Chapters 10-11, April 4, 6pm at eclass
April 14-28.	Final Exam – Chapters 1 to 11 including appendices and materials at course website; to be scheduled				

IMPORTANT YORK POLICIES

IMPORTANT EXAM INFORMATION – MUST READ!!!

- 1) Supplementary reading assigned by course director is deemed examinable unless otherwise specified. Materials eligible for examinations include all assigned readings, handouts, class discussions, class discussion questions, lectures, quizzes and homework assignments. Examinations may cover material taken up to and including the previous class. No documentation is allowed during exams.
- 2) There are no sample exam papers for the midterm and final exams. However, assigned practice problems, and class demonstration problems used in class provide excellent sample exam questions.
- 3) As a multi-section course, the midterm exams in ADMS 4520 are all scheduled outside of class on weekends. You should not take this course if you cannot attend these exams shown in the weekly course schedule.
- 4) Midterm exam results and term project grades normally will be returned in two weeks.
- 5) There is **no** deviation from the grading scheme. A deviation represents a “deal” and in fairness such deal would have to be offered to every student. This is simply impossible in this course.

- 6) Final exam marks and final course grades are released by the Registrar and not by the instructor.
- 7) The course director reserves the right to adjust grades either up or down such that grade distributions could conform to York University requirements for 4000 level courses.

ABSENCE FROM EXAMS – MUST READ!!!

• ABSENCE FROM MIDTERM EXAM:

There are two types of absences from the midterm exam:

- 1) Authorized
- 2) Unauthorized – students get zero for the exam

Authorized absences (Medical)

If you are unable to attend a midterm because of SEVERE illness, you must obtain a **signed Attending Physicians Statement (APS)**. APS may be downloaded from <https://registrar.yorku.ca/pdf/attending-physicians-statement.pdf>. Note that according to the School policy at the SAS, just a doctor's note is not sufficient; you must submit an **APS where the doctor clearly indicates that you were incapacitated on the exam date**. The APS must be submitted by email **within ONE week from the missed midterm exam date** to apsas@yorku.ca. **INSTRUCTORS WILL NOT ACCEPT APS IN CLASS. LATE SUBMISSION WILL NOT BE CONSIDERED.**

Authorized absences (Religious)

The University publishes a list of accredited religions. If you have a religious observance preventing attendance at an exam then submit appropriate documentation to get an authorized absence.

Authorized absences (Compassionate)

- 1) These should be cleared with the Course Director well ahead of the scheduled exam.
- 2) Attendance at weddings or funerals is an excused absence only for members of the immediate family or if you are in the wedding party.
- 3) In all cases, wedding, bereavement or other compassionate grounds, the course director will have to see some form of written documentation supporting the existence of the event.
- 4) Note that York does not normally consider inability to get off work as reason for excused absence. Your employer will have to give you a signed letter on letterhead to make such condition an excused absence.

• ABSENCE FROM FINAL EXAM:

Please note that a new system has been implemented to facilitate the processing of Deferred Standing Agreement (DSA hereafter) Forms for the final exam. In order to request a deferral of final exam the following steps are required:

- 1) Download the DSA form from http://www.registrar.yorku.ca/pdf/deferred_standing_agreement.pdf at the Registrar's Office web site, complete the form, attach the necessary documentation to support your request such as a signed APS form, written letter from an event organizer, or written letter from the employer, etc., and keep the original copies of these paper forms and documents with you;
- 2) Access the DSA system on the weblink <https://sas-app.laps.yorku.ca/>, log in using your Passport York ID and password and complete the online form;
- 3) Once you have completed the online form, a ticket number will be issued, please copy that number in the top right corner of the paper version of the DSA form that you have already completed in step 1);

- 4) scan and send the DSA form to apsas@yorku.ca, the email address for the main office of the School of Administrative Studies, York University.
- 5) Check the status of your request in the School of Administrative Studies' DSA system; once approved please make sure to take proper note of the location, date and time of the exam;

Deferred exams will be held in August, 2021.

FINAL EXAM REVIEW/REAPPRAISAL – MUST READ!!!

Students may request to review final exam. Contact the Administrative office of SAS (Room 282 at Atkinson Building) to set up an appointment. With sufficient academic grounds, students may, request that a final grade in a course be reappraised. Non-academic grounds are not relevant for grade reappraisals; in such cases, students are advised to petition to their home Faculty. Students need to be aware that a request for a grade reappraisal may result in the original grade being raised, lowered or confirmed. For reappraisal procedures and information, please visit <https://myacademicrecord.students.yorku.ca/grade-reappraisal-policy>

ACADEMIC HONESTY (SENATE POLICY) – MUST READ!!!

SAS considers breaches of the Senate Policy on Academic Honesty to be serious matters. To quote the Senate Policy on Academic Honesty:

The Policy on Academic Honesty is a reaffirmation and clarification for members of the University of the general obligation to maintain the highest standards of academic honesty. It outlines the general responsibility of faculty to foster acceptable standards of academic conduct and of the student to be mindful of and abide by such standards.

Faculty members are encouraged to pursue suspected cases of academic honesty with formal charges. Students should, however, review the York Academic Honesty policy for themselves at: http://www.yorku.ca/spark/academic_integrity/index.html

Grade Component Deadline (Senate Policy)

The course assignment structure and grading scheme (i.e. kinds and weights of assignments, essays, exams, etc.) must be announced, and be available in writing, to students within the first two weeks of classes. Please see Important Dates at: <https://registrar.yorku.ca/enrol/dates>

Graded Feedback Rule (Senate Policy)

Under normal circumstances, some graded feedback worth at least 15% of the final grade for the Fall, Winter or Summer term, and 30% for 'full year' courses in the Fall/Winter term should be received by students in all courses prior to the final withdrawal date from a course without receiving a grade, with the following exceptions:

- graduate or upper level undergraduate courses where course work typically, or at the instructor's discretion, consists of a single piece of work and/or is based predominantly (or solely) on student presentations;
- practicum courses;
- ungraded courses;
- courses in Faculties where the drop date occurs within the first three weeks of classes;
- courses which run on a compressed schedule (a course which accomplishes its academic credits of work at a rate of one credit hour per two calendar weeks or faster).

Note: Under unusual and/or unforeseeable circumstances which disrupt the academic norm, instructors are expected to provide grading schemes and academic feedback in the spirit of these regulations, as soon as possible.

For more information on the Graded Feedback Rule, please visit: <https://secretariat-policies.info.yorku.ca/policies/grading-scheme-and-feedback-policy/>

20% Rule (Senate Rule)

No examination or test worth more than 20% of the final grade will be given during the last two weeks of classes in a term, with the exception of classes which regularly meet Friday evenings or on the weekend (Saturday and/or Sunday at any time). For further information on the 20% Rule, please visit: <http://secretariat-policies.info.yorku.ca/policies/limits-on-the-worth-of-examinations-in-the-final-classes-of-a-term-policy/>

Students with Special Needs (Senate Policy)

York University is committed to making reasonable accommodations and adaptations in order to make equitable the educational experience of students with special needs and to promote their full integration into the campus community. **Please alert the Course Director as soon as possible should you require special accommodations.**