

**School of Administrative Studies
Faculty of Liberal & Professional Studies
York University
Summer 2023 Course Outline
AP/ADMS 3595 3.0 Intermediate Accounting II**

Course Director:	Timothy Ng
Sections:	A (Online) and B (In-person Section)
Office Hours:	By appointment
Course website:	E-Class (Moodle)
Day/Time:	Section A (Online, anytime during the week) and Section B (Wednesday, 7:00 pm)
Location:	Section B (Wednesday, 7:00pm): SLH C (Keele Campus)
E-Mail Address:	adms3595@yorku.ca (homework, sample, and exam-related questions) and timkhng@yorku.ca (administrative and group-related questions only)

COURSE PREREQUISITES

The prerequisite is AP/ADMS 3585 3.0. Those students with outstanding deferred exams in the prerequisite course may not enroll in this course.

Students are personally responsible for ensuring that they have the necessary prerequisite. The School of Administrative Studies reserves the right to de-enroll any student when it is determined that a student has requested a course without having the necessary listed prerequisites. The School will not be responsible for refunds resulting from students being dropped from a course due to a lack of a prerequisite.

LEARNING OUTCOMES

After completion of the course, apart from mastering the technical knowledge of the liabilities and shareholders' equity side of the financial statements, students should also

1. Understand the importance of ethics in the accounting profession and realize potential conflicts of interest that one may encounter in the profession.
2. Begin to learn how to see the inter-relationship between accounting issues, analyze them, and integrate the findings to draw reasonable conclusions.
3. Begin to learn the basics of case writing and communicate effectively.
4. Understand the importance of teamwork and learn how to develop work plans and resolve conflicts.

COURSE CALENDAR DESCRIPTION

This course, in conjunction with AK/ADMS 3585 3.0, develops thorough knowledge and understanding of generally accepted accounting principles and financial statement analytical skills by examining various technical areas of financial accounting.

Specifically, this course is the second intermediate financial accounting course designed for the undergraduate accounting major and will emphasize the financial accounting theory, rules, and procedures related to liabilities and stockholders' equity. In addition, specialized reporting and disclosure issues related to investments, dilutive securities, derivative securities, earnings per share, employee benefits, leases, income taxes, cash flows, accounting changes & correction of errors, and disclosure issues will also be focused.

The course will provide historical and theoretical perspectives to enable the student to critically evaluate current accounting and reporting techniques from the user's standpoint. The assignments of readings, exercises, problems, research and financial analysis questions, and cases should provide an appreciation for the development of current accounting and financial reporting concepts and techniques.

The students in this course are expected to achieve the following learning objectives through the completion of various assignments required for the course:

1. ***Technical Competencies in Financial Reporting*** that include the role of financial reporting, the application of reporting frameworks, the reporting of routine and non-routine transactions in different circumstances, and an understanding of the role of internal control, tax, and finance in financial reporting.

Relevant Course Activities: Midterm and Cumulative Final Examinations, the Class Discussion of Ungraded Homework Questions, Additional Sample Questions, Additional Illustrations, and Class Discussions of Accounting Theories/Concepts behind Accounting Numbers.

2. ***Competencies in Professional and Ethical Behaviour*** that include their ability to act with honesty, integrity, credibility, self-confidence, and independence, while coping with ambiguity, conflicts of interest, and the need to protect the public interest.

Relevant Course Activities: Both Annual Report Assignments and Group-Based Case Projects.

3. ***Competencies in Problem-Solving and Decision-Making*** that include their strong analytical and problem-solving skills and their capacity for innovative and integrative thought, as well as their ability to both connect and dissect “parts” and “whole,” identify and manage priorities, and adopt a broad view to arriving at a recommended solution.

Relevant Course Activities: Annual Report Assignments that will require students to Analyze Real World Companies' Financial Statements, Group-Based Case Projects, Midterm and Cumulative Final Examinations, Ungraded Homework Questions, Additional Sample Questions, and Additional Illustrations.

4. **Competencies in Communication (both written and oral)** that include their ability to communicate effectively through listening, understanding, speaking, and writing with clarity, and through the art of persuasion and negotiation.

Relevant Course Activities: Both Annual Report Assignments and Group-Based Case Projects, Midterm and Cumulative Final Examinations, Active Participation in Class Discussions of Ungraded Homework Questions, Additional Sample Questions, Additional Illustrations, and Active Participation in Class Discussions of Accounting Theories/Concepts behind Accounting Numbers.

5. **Competencies in Self-Management** that include their ability to manage their own performance, solicit feedback from others, reflect and act upon it to improve behavior, as well as recognize their limits and seek advice when needed.

Relevant Course Activities: Annual Report Assignments that will require students to Analyze Real World Companies' Financial Statements and Group-Based Case Projects.

6. **Competencies in Teamwork and Leadership** that include their ability to work within, build, and lead teams.

Relevant Course Activities: Both Annual Report Assignments and Group-Based Case Projects.

7. **Competencies in Interpreting Financial Reporting Results for Stakeholders (external or internal).**

Relevant Course Activities: Both Annual Report Assignments and Group-Based Case Projects.

TEXTBOOK

Required

Intermediate Accounting, 13th Canadian Edition, Volume 2, By Donald E. Kieso, Jerry J. Weygant, Terry D. Warfield, Irene M. Wiecek, and Bruce McConomy ISBN: 978-1-119-78031-1 (E-Pub) Copyright © 2022 John Wiley & Sons Canada, Ltd.

Do not use previous editions except for some homework questions.

Recommended

Accounting recommendations, CPA Canada Standards and Guidance Collection, CPA Canada, available through eResources at York University library.

Optional

1. Student *Study Guide* to the above text.
2. Publisher's Student Companion Website: Kieso 13ce Volume 2 resources
3. WileyPlus: for the Kieso et al. eTextbook (Vol. 2) and practice questions - Class Section URLs:

Course name: Kieso 13ce Volume 2 resources

Course Section ID: Kieso 13ce Volume 2 resources

Course URL: Kieso 13ce Volume 2 resources

GRADE COMPONENTS

	Weighting	Due Date	
Annual Report Assignments	5%	July 02 at 11:59pm on Moodle	RA15.2: Bank of Montreal and Royal Bank of Canada, p. 15-58)
Group-based Term Project	15%	August 6 at 11:59pm on Moodle	See instructions below
Mid Term Exam (In-person at Keele Campus)	35%	Jun 25 (Sunday) 2:00 pm - 5:00 pm	Chapters & Appendices 13, 14, 15, 15A, 15B, 16, 16C, 17
Final Exam (In-person at Keele Campus)	45%	During the final exam period, 3.0 hrs In-person Exam	All chapters
Total	100%		

Tutorials

Tutorials are unstructured and will be operated on a first-come-first-served basis. All of these sessions will be held online via Zoom and may be recorded. The links to these meetings will be posted on Moodle course websites.

<u>Date</u>	<u>Times</u>
May 27 (Sat) Week 3	1:00 pm – 3:30 pm
June 17 (Sat) Week 5	1:00 pm – 3:30 pm
June 24 (Sat) Before Mid-term	1:00 pm – 3:30 pm
July 29 (Sat) Week 10	1:00 pm – 3:30 pm
August 12 (Sat) Week 12	1:00 pm – 3:30 pm

Individual Annual Report Assignment 5%

There is one annual report assignment that is based on the text-book questions in RA 15-2 (Bank of Montreal and Royal Bank of Canada p. 15-58). You will study the annual financial statements of well-known Canadian companies in order to answer the questions. Although the completion of the assignments is expected to be done on the group basis (the same as the term project group below), you can do it on the individual basis if you choose to do so. However, there will be no penalties or rewards for choosing one option over the other.

Group-based Term Project 15%

The purpose of this case project is to map this course to the CPA competency map which relates to I.T. and data analytics. The competency in interpreting financial reporting results for stakeholders (external or internal) can be specifically achieved through the following:

- A) Prepares and interprets financial statement analysis (e.g., ratios and trend analysis) to support decision-making;
- B) Analyzes, interprets, and explains financial statement information to or for stakeholders;
- C) Interprets and discusses the results using data visualization techniques, where appropriate.

The group assignment will account for 15% of the total marks. The class will be divided into groups of 5-8 students based on the active enrolment at that time. Each group is expected to analyze an assigned case that deals with ethical issues, accounting fraud, emerging technical accounting issues, and earnings management of a well-known corporation. Detailed guidelines will be provided in class. Peer evaluation may be conducted to ensure all members contribute equally to the assignment. Therefore, it is strongly recommended that you study together with your team members, and that each student contributes to the group assignment.

There will be an eight page report, excluding the cover page, figures, tables, appendices, and references, required for the term paper. The written report must be **typed, 12-pt font, single sided, and 1.5 lines-spaced**. The following items and additional questions that will be provided later in the semester should be discussed in the term paper:

1. Briefly discuss the situation in the case.
2. Do some research on issues of the case and present additional information.
3. Answer all the questions that will be posted on the course website as competently as possible.
4. Present your recommendations.

You are responsible for securing your own original case.

Each case report must be submitted on **August 15 at 11:59pm**. Reports need to be submitted via moodle. Only one submission per group, hence each group needs to designate one group member to submit your group report.

Detailed information will be posted on the Moodle course website.

It is your or your group members' responsibility to get your members using the group formation files after the group formation date. I suggest any group which accepts you using the group formation files.

Once groups were formed, any increase or decrease depends on their willingness to stay or leave, which I cannot control.

Examinations:35% midterm; 45% final

There is one midterm exam and one cumulative final exam. All exams will be in-person exams. Both the midterm exam and the final exam last 3 hours and contain multiple-choice questions, comprehensive problems, and a case.

The final examination is comprehensive and covers the entire course. The final examination is scheduled during York's final examination period. Once set by the Registrar, the date, time and location of the final examination will be announced on the York University website at www.yorku.ca (click 'current students').

There are **no make-up exams or alternate sittings of the midterms**. If you are unable to attend because of illness, you may transfer the weight of the midterm to the final examination. One caution – if you are ill and it is affecting your performance, do not write an exam; instead, go to a medical clinic and request a signed Attending Physicians Statement (APS). Please see Appendix A: Administrative Information for further details. ***Under no circumstances is the result of an examination changed once it is written.***

Ungraded Assignments

Practice solving problems is one of the best ways to prepare for computational accounting questions. Selected textbook exercises, problems, cases, and written assignment questions will be assigned but not graded. These exercises and problems should be considered as a minimum. The more problems you do, the more comfortable you will be with computational questions on the examinations. Solutions to selected exercises, problems, cases, and written assignment questions will be available from the course website.

Course Website

The course website provides access to:

Course syllabus, announcements, lecture notes and illustrations, textbook homework solutions, other learning materials, and recommended references.

You are required to check the course website regularly during the course for class materials and activities.

The website is password protected. Login using your Passport York information.

Policy on Leaving the Classroom Early

You can leave the classroom early only during the break period. Since people who leave the classroom early disturb other students in concentrating on lecture presentations, it would be unfair to the students who want to avoid distractions as much as possible in their efforts to learn if I let this situation continue develop. Furthermore, I have an obligation to maintain a quiet learning environment for all of my students as a course director and an educator. Any violation of this rule will result in one percent reduction of your final grade.

Sometimes, you may have to leave the classroom early due to emergencies or physical reasons. As long as you can provide me with an appropriate document explaining the circumstances later, you can get the lost point back.

Any person who has to leave early must sign a sign-up sheet.

SUMMARY OF CLASS SCHEDULE

<u>WEEK</u>	<u>TOPIC</u>
Week 1: May 10	Chapter 13: Non-Financial and Current Liabilities
Week 2: May 17	Chapter 14: Long-term Liabilities
	Last day to enrol without permission; ADMS 3595 follows a strict policy of no late enrolment allowed after this date
Week 3: May 24	Chapter 15: Shareholders' Equity
May 27 to June 2	2023 Congress of the Humanities and Social Sciences – No Class
Week 4: June 7	Chapter 16: Complex Financial Instruments
Week 5: June 14	Chapter 16 (continued) and Chapter 17: Earnings per Share
Week 6: June 21	Chapter 17: Earnings per Share (continued)
June 25	Midterm Exam: 3 hours 2:00 pm - 5:00 pm, In-person Exam at Keele Campus
	Reading Week – No Class
June 27 to July 2	Annual Report Assignment (RA15.2: Bank of Montreal and Royal Bank of Canada, p. 15-58) Due on July 02 at 11:59pm on Moodle
Week 7: July 5	Chapter 18: Income Taxes
Week 8: July 12	Chapter 19: Pension and Other Employee Future Benefits
Week 9: July 19	Chapter 21: Accounting Changes and Error Analysis
July 7	Last day to drop without receiving a grade
Week 10: July 26	Chapter 20: Leases
Week 11: August 2	Chapter 22: Statement of Cash Flows Group-based Term Project Due on August 6 at 11:59pm on Moodle

Week 12: August 9	Catch-up (Chapter 22); Chapter 23 if time permits.
Official Final Exam Date	Final Exam Period: August 17 to August 23

COURSE SCHEDULE AND TOPICAL COVERAGE

(SUBJECT TO CHANGE)

Week # and Date

Chapter

A Detailed List of Chapter Topics to be Covered

Questions Assigned for Class

Week #1 (May 10)

Non-Financial and Current Liabilities

13

Recognition and Measurement, Common Current Liabilities, Non-Financial Liabilities, Contingent Liabilities, Presentation, Disclosure, and Analysis, IFRS/ASPE Comparison

Exercises: 1, 2, 3, 15, 16, 21, 24

Problems: 1, 7, 8, 9, 17

Case: IC13.1

Sample Questions – Chapter 13

Week #2 (May 17)

Long-term Financial Liabilities

14

Understanding Debt Instruments, Measurement, Recognition and Derecognition, Presentation, Disclosure, and Analysis, IFRS/ASPE Comparison

Exercises: 4, 7, 12, 13, 20, 22, 23, 24, 25, 26, 27

Problems: 2, 4

Case: CA14.1

Sample Questions – Chapter 14

Week #3 (May 24)

Shareholders' Equity

15, 15A, and 15B

Understanding the Corporate Form, Share Capital, and Profit Distribution, Recognition, Derecognition, and Measurement, Presentation, Disclosure, and Analysis, IFRS/ASPE Comparison, Par Value and Treasury Shares, Financial Reorganization

Exercises: 2, 6, 11, 18, 19, 20

Problems: 2, 5, 6, 8, 10

Case: IC15.2

Sample Questions – Chapter 15

Week #4 (June 7)

Complex Financial Instruments
16 and 16C

Derivatives, Complex Debt Instruments, Debt versus Equity – Issuer Perspective, Share-Based Compensation, IFRS/ASPE Comparison, Advanced Models for Measuring Fair Value of the Options

Exercises: 4, 6, 7, 8, 9, 11, 19, 20

Problems: 1, 2, 3, 4, 10

Case: IC16.1

Sample Questions – Chapter 16

Week #5 (June 14)

Complex Financial Instruments
16 and 16C (continued)

Earnings per Share
17

Basic EPS, Diluted EPS, Analysis and IFRS/ASPE Comparison

Exercises: 2, 5, 6, 10, 16, 17, 18

Problem: 2, 3, 4, 8

Case: CA17.1

Sample Questions – Chapter 17

Week #6 (June 21)

Earnings per Share
17 (continued)

Sample Questions – Chapter 17

Common Midterm - Time: 2:00 pm - 12:00 pm on **Sunday, June 25, 2023**

In-person Exam at Keele Campus

Midterm 1 (Chapters 13, 14, 15, 15A, 15B, 16, 16C, and 17)

Week #7 (July 5)

Income Taxes
18 and 18A

Annual Report Assignment: **Annual Report Assignment (RA15.2: Bank of Montreal and Royal Bank of Canada, p. 15-58) Due on July 02 at 11:59pm on Moodle**

Current Income Taxes, Deferred/Future Income Taxes, Income Tax Loss Carryover Benefits, Presentation, Disclosure, and Analysis, IFRS/ASPE Comparison, Comprehensive Illustration

Exercises: 3, 6, 7, 8, 9, 10, 13, 17, 26, 27, 30

Problems: 3

Research and Analysis: RA18.6

Case: CA18.1

Sample Questions – Chapter 18

Week #8 (July 12)

Pensions and Other Post-Employment

Future Benefits

19 and 19A

Benefit Plan Basics, Defined Benefit Pension Plans, Presentation, Disclosure, and Analysis, IFRS/ASPE Comparison, Example of a One-Person Plan

Exercises: 1, 3, 4, 5, 7, 8, 9, 11, 19, 20

Problems: 3, 4, 7, 14

Case: IC19.1

Sample Questions – Chapter 19

Week #9 (July 19)

Accounting Changes and Error Analysis

21 and 21A

Changes in Accounting Policies and Estimates, and Errors, Motivations for Change, IFRS/ASPE Comparison, Error Analysis

Exercises: 2, 5, 6, 11, 16, 18, 23

Problem: 3, 8

Case: IC21.2

Sample Questions – Chapter 21

Week #10 (July 26)

Leases

20 and 20A

Leasing Basics, Classification Approach – Lessees, Classification Approach – Lessors, Sale and Leaseback Transactions, Real Estate Leases, IFRS/ASPE Comparison, Contract-Based Approach

Exercises: 1, 3, 10, 13, 14, 17, 18, 19, 20
Problems: 6, 17

Case: CA20.1

Sample Questions – Chapter 20

Week #11 (August 2)

Statement of Cash Flows

22

Introduction to the Statement of Cash Flows, Preparing a Statement of Cash Flows: Direct Method and Indirect Method, Presentation, Disclosure, and Analysis, IFRS/ASPE Comparison, T-Account Approach

Exercises: 2, 11, 12, 13, 17
Problems: 3, 5, 13

Group-based Term Project Due on August 6 at 11:59pm on Moodle

Sample Questions – Chapter 22

A Hand-Out Case for Class Discussion

Week #12 (August 9)

Other Measurement and Disclosure Issues

23

Segmented Reporting, Interim Reporting, Subsequent Events, Auditor's Report, Financial Statement Analysis, IFRS/ASPE Comparison

Brief exercises: 13, 14
Exercises: 5, 7, 8
Problem: 1

APPENDIX A: ADMINISTRATIVE INFORMATION

Final-classes-of-a-term-policy/ for further information on the 20% Rule. For further information on examination scheduling and Atkinson examination exceptions to this rule, please refer to the "Notes" in the table at the website <http://www.yorku.ca/roweb/importantdates/>

Reappraisals: Students may, with sufficient academic grounds, request that a final grade in a course be reappraised (which may mean the review of specific pieces of tangible work). Non-academic grounds are irrelevant for grade reappraisals; in such cases, students are advised to petition to their home Faculty. Students are normally expected to first contact the course director to discuss the grade received and to request that their tangible work be reviewed. Tangible work may include written, graphic, digitized, modelled, video recording or audio recording formats, but not oral work. 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> .

Accommodation Procedures: students who have experienced misfortune or who are too ill to attend the final examination in a course should not attempt to do so; they must pursue deferred standing. Other students should contact their home Faculty for information. For further information, please visit: <https://myacademicrecord.students.yorku.ca/deferred-standing> .

Religious Accommodation: York University is committed to respecting the religious beliefs and practices of all members of the community, and making accommodations for observances of special significance to adherents. For more information on religious accommodation, please visit: <https://w2prod.sis.yorku.ca/Apps/WebObjects/cdm.woa/wa/regobs>

Academic Accommodation for Students with Disabilities: The nature and extent of accommodations shall be consistent with and supportive of the integrity of the curriculum and of the academic standards of programs or courses. Provided that students have given sufficient notice about their accommodation needs, instructors shall take reasonable steps to accommodate these needs in a manner consistent with the guidelines established hereunder. For more information please visit the Disabilities Services website at <http://www.yorku.ca/dshub/>. York's disabilities offices and the Registrar's Office work in partnership to support alternate exam and test accommodation services for students with disabilities at the Keele campus. For more information on alternate exams and tests please visit <http://www.yorku.ca/altexams/>. Please alert the Course Director as soon as possible should you require special accommodations.

Grading: The grading scheme for the course conforms to the 9-point grading system used in undergraduate programs at York (e.g., A+ = 9, A = 8, B+ = 7, C+ = 5, etc.). Assignments and tests will bear either a letter grade designation or a corresponding number grade (e.g. A+ = 90 to 100, A = 80 to 90, B+ = 75 to 79, etc.) For a full description of York grading system, please see the York University Undergraduate Calendar available at the following web link: http://calendars.registrar.yorku.ca/pdfs/ug2004cal/calug04_5_acadinfo.pdf.

Enrolment Deadline: Because of the high volume of material covered, no registration under any circumstances is permitted after the "last date to enroll without permission of course instructor".

For Summer 2023, this date is May 22, 2023. Only under rare circumstances you could be enrolled after this date, on the condition that you inform the course director during the first class, that you have attended all classes to date, and that you have finished all class assignments to date. The final decision is at the course director's discretion.