

INTERMEDIATE ACCOUNTING II

ADM3340 Section A

Fall 2019

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Class Hours	Tuesday 8:30-9:50am; Friday 10:00-11:20am
Class Location	LPR 155
DGD Hours (optional)	Friday 8:30-9:50am
DGD Location	DMS 1110
Office Hours	12:00pm-1:30pm. Tuesday, Thursday, Friday.
Prerequisite(s)	ADM2342 Intermediate Accounting I
Programs of study	BCom Option in Accounting; BCom Specialization in Accounting.

Course Deliverable	Due Dates	Weight on Course Grade
Midterm examination	1:00-3:30pm, Saturday, October 26 th . Location: to be announced.	40%
Final examination	To be announced	60%
Course protocol		See page 8

Normally, you must receive 45% on the ADM3340 mid-term or deferred mid-term examination in order to qualify to write the final examination: thus, you are not permitted to write the final examination unless you have scored at least 45% on the mid-term or deferred mid-term examination.

The same mid-term and final examinations are used for all sections when multiple sections of ADM3340 are offered in a term. Exams may be comprise a combination of multiple-choice questions (MCQs) and questions similar to the textbook's end-of-chapter exercises/problems; thus, an exam may comprise (i) all MCQs or (ii) all exercises/problems similar to the textbook's, or (iii) a mixture of both.

All ADM 3340 sections write common midterm and final examinations.

During the Capstone course ADM3340 of the Option in Accounting, students will be required to participate in a networking event with potential employers. Please see page 3 for details.

Course Objectives

This course is a continuation of its prerequisite ADM2342. Concepts and procedures, including current and proposed accounting standards, are studied within the context of specific financial statement items. This course extends the material covered in ADM2342 and focuses on the development of professional judgement by looking at how generally accepted accounting principles are applied in practice. Students are expected to become adept at making journal entries and preparing and presenting financial statements complete with notes. It is also expected that this course will provide the student with an understanding of such topics as alternative procedure proposals and debates, the consistency of practices with respect to accounting principles, and the conceptual issues underlying financial reporting in Canada's multiple standards [including Accounting Standards for Private Enterprises (ASPE) and International Financial Reporting Standards (IFRS)] environment.

Scope of the Course

This course focuses on various theoretical and practical topics related to the following:

- Intangible Assets and Goodwill;
- Non-Financial and Current Liabilities;
- Long-Term Financial Liabilities;
- Shareholders' Equity;
- Complex Financial Instruments;
- Earnings Per Share (EPS);
- Accounting Changes and Error Analysis;
- Statement of Cash Flows.

Pedagogy

This course will use a combination of lectures, discussions, textbook, interactive on-line learning applications, Opencast videos, and problem-solving. The lectures highlight the main points of the assigned readings and chapters; discussions will help to clarify and expand on the themes of the course; problem-solving aims to develop students' ability to apply and synthesize the learned concepts and techniques. The on-line applications, developed expressly for this course, encourage independent learning by enabling students to self-test and interactively create and review simple and challenging problem-scenarios and automatically generated annotated solutions. The DGD's will provide a workshop environment for discussing and applying ADM3340 concepts. Opencast videos supplement lectures and facilitate students who wish to preview and/or review the course's more challenging topics.

Course Contribution to the Bachelor of Commerce Learning Goals

Learning Goal 1 Understand, Apply and Integrate Core Management Disciplines.
ADM3340 follows on from ADM2342 Intermediate Accounting I and actively integrates knowledge of the other core management disciplines. ADM3340 and other financial reporting courses in the financial accounting stream are designed to provide accounting students with a deep understanding of financial reporting for the entire array of organizational activities such as financing, investment, marketing, production, research and development, income and other taxes, employee and executive compensation arrangements, procurement leasing arrangements, constructive and legal obligations, pension funding and servicing, mergers and acquisitions, and human resources development. The greater a student's knowledge of the other core management disciplines the better his/her ability to appropriately account for their activities.

Learning Goal 2 Demonstrate Critical Thinking and Decision Making Skills.

ADM3340 requires critical thinking and decision making skills when applying judgment as to how generally accepted accounting principles, including the conceptual framework underlying IFRS and ASPE, should be applied to account for organizational activities when preparing general purpose financial statements intended for use by a variety of stakeholders.

Learning Goal 3 Demonstrate Leadership, Interpersonal and Communications Skills.

ADM3340 requires students to demonstrate communication skills by presenting financial statements and associated disclosure notes in accordance with IFRS and/or ASPE.

Learning Goal 7 Provide Value to the Business Community in a chosen Area of Specialization.

ADM3340 is a recognized course for CPA (Chartered Professional Accountant) Canada.

Evaluation

Mid-term exam	40%
Final exam	60%
Class protocol	see page 8.

- Normally, you must receive 45% on the mid-term or deferred mid-term examination in order to qualify to write the final examination. Thus, you are not permitted to write the final examination unless you have scored at least 45% on the mid-term or deferred mid-term examination.
- For the final exam, you are responsible for all course material, but the emphasis will be on the material introduced after the mid-term exam.
- Exams may comprise a combination of multiple-choice questions (MCQs) and questions similar to the textbook's end-of-chapter exercises/problems; thus, an exam may comprise (i) all MCQs or (ii) all exercises/problems similar to the textbook's, or (iii) a mixture of both.
- All ADM 3340 sections write common midterm and final examinations.
- In accordance with the B.Com. learning goal *Demonstrate Leadership, Interpersonal and Communications Skills*, during the Capstone course ADM3340 of the Option in Accounting, students will be required to participate in a networking event with potential employers. Students can select from two events: one of the networking events with employers held in September, organized by the Accounting Club or the Telfer Networking Convention (TNC) held in January, organized by the Career Centre. This will allow students to network with potential employers and explore the various employment opportunities available to them. During these events, they will be encouraged to practice their networking skills, develop their long-term professional network and prepare to meet the new challenges of the workforce.
- One of the admission requirements for CPA Ontario is a minimum grade of C (60%) in ADM3340. The Telfer School of Management offers the Graduate Diploma in Chartered Professional Accountancy (CPA) for students who want to pursue an accelerated path towards the CPA designation. Further information on this CPA Ontario accredited program is available at telfer.uottawa.ca/en/prospective-students/graduate-diploma-in-chartered-professional-accountancy.

Textbooks and Other Materials

Required:

- Intermediate Accounting, Kieso, Weygandt, Warfield, Young, Wiecek, & McConomy:
 - Volume Two, **Twelfth** Edition, 2019 (Chapters 13, 14, 15, 16, 17, 21, and 22)
 - Volume One, **Eleventh** Edition, 2016 (Chapter 12 *Intangible Assets and Goodwill*): you can access this as a .pdf file on ADM3340's Brightspace.
- *Accounting Standards for Private Enterprises (ASPE)*, *International Financial Reporting Standards (IFRS)*, and *2013 Financial Reporting in Canada Under IFRS* (which looks at the application of IFRS from a Canadian perspective by examining and explaining IFRS requirements and illustrating their application using real-world extracts of financial statements from companies that have already adopted IFRS) are available through the Library's network.
- University of Ottawa Library Accounting Portal: this provides access to core accounting and auditing resources. These resources include both print and electronic formats, found at the University of Ottawa and on the web: uottawa.libguides.com/acc_en
- Nineteen or more Opencast videos supplement lectures and facilitate students who wish to preview and/or review the course's more challenging topics (see page 10/11 for details).
- mammaifrs.com is an interactive learning application which provides an overview of the mixed-attribute measurement model for assets used by IFRS (MAMMAIFRS).
- impairmentlonglivednonfinancialassets.com [ILLNFA] supplements the textbook's coverage of accounting for the impairment of non-financial long-lived assets under IFRS, Canadian ASPE, and U.S. GAAP. As with MAMMAIFRS above, and BondBeagle, BondTerrier and the other interactive learning applications listed below, ILLNFA encourages independent learning by enabling students to self-test and interactively create and review both simple and challenging problem-scenarios and automatically generated annotated solutions.
- bomode.telfer.uottawa.ca/notesrecpay/notereceivable_sheet.aspx supplements the textbook's coverage of accounting for notes receivable and payable under the amortized cost model using either the effective-interest-rate or straight-line method.
- bomode.telfer.uottawa.ca/blendednote/Introduction_Sheet.aspx supplements the textbook's coverage of accounting for installment notes (receivable and payable).
- bomode.telfer.uottawa.ca/premiums/Introduction_Sheet.aspx supplements the textbook's coverage of accounting for premium promotion programs: (i) under traditional GAAP's expense approach, and (ii) under IFRS 15's [Revenue from Contracts with Customers] contract-based approach.
- bondbeagle.com supplements the textbook's coverage of accounting for non-convertible bond liability life-cycle events: issuance; interest accruals and payments; issuance costs and discount/premium amortization; retirement; settlement at maturity.

- bomode.telfer.uottawa.ca/tdr/input_sheet.aspx enables students to self-test their knowledge of accounting under IFRS and ASPE for exchanges between an existing borrower and lender of debt instruments with different terms.
- bondterrier.com supplements the textbook's coverage of accounting, in accordance with IFRS, ASPE, and U.S. GAAP for bond liabilities that are convertible at the investor's option and callable at the issuer's option.
- bomode.telfer.uottawa.ca/shareissuance/ShareIssuance_Sheet.aspx supplements the textbook's coverage of accounting for various share issuance transactions.
- bomode.telfer.uottawa.ca/inventoryfun/Input_Sheet.aspx supplements the textbook's coverage of analysing current and prior period errors in accounting for inventory and their impact on cost of goods sold, profit, and retained earnings.
- WileyPLUS is on-line software that has been developed by John Wiley & Sons Ltd and designed to promote more effective learning by students. The software represents a supplementary resource to permit students to complete additional practice questions and assignments. The software is available as a package for purchase with the textbook.
- Various readings referred posted to Brightspace during the term.

Class Preparation

The material to be covered in this course is extensive and the workload is heavy. It is critical that you thoroughly read the material prior to class in order to keep up-to-date with the topics covered. Students should aim to spend at least 9 hours each week studying for this course. Mastery of the course content requires regular, substantial, and intense study. To help you achieve the course objectives, questions and problems from the textbook are assigned for each topic. Some of these assigned questions and problems will be covered in class and you will need to come to class prepared to discuss the day's material. Other assigned questions and problems will not be covered in class due to time constraints and it will be the student's responsibility to review and understand the solutions to these questions and problems. In addition, various handouts may be given which are considered part of the course materials and are examinable.

The problems to be discussed in class will mostly come from the homework problems contained in the lecture schedule in this outline. Doing these homework problems in advance is the only feasible way for you to properly grasp the material at this level and will serve as a good basis for coming to class prepared. You may consult your Teaching Assistant (TA) if you have specific questions regarding the material but your TA will not do these problems for you or validate your solutions beforehand. **Attendance at the DGDs is strongly recommended.**

Students will need to check both Brightspace and their University of Ottawa email on at least a weekly basis for communiqués issued by the professor.

Important Notes

1) Attendance at Lectures

Please be reminded of the university policy that attendance at lectures is mandatory, and that a student can be prevented from taking a final exam if the professor deems that the student has not attended a sufficient number of lectures.

2) Solutions to Assigned End-of-Chapter Problems

The publisher has given permission to post solutions to the assigned problems on Brightspace. As noted above, you must come to class prepared to discuss the day's material, if asked.

3) Scope of Material

The selected questions and problems on the course outline are only samples of the material you are expected to know. **You are responsible for the entire contents of the chapters specified on page 10 of this course outline unless told otherwise.** In addition, various assigned articles and handout questions may be discussed in class. They are also considered part of the course materials and are examinable.

4) Missed Exams

Students are expected to write the midterm and final examinations as scheduled. The **Student Services Center (SSC)** [located on the ground floor of the DMS Building] is the only body that can approve and manage the deferred **midterm and final exams** with the students. Students must contact the SSC (not their professor) if they missed their midterm or final exam in order to complete the appropriate deferred-examination-application-form which will be evaluated by the Appeals Committee. Absence because of illness must be justified by a valid medical certificate and given to the SSC during the week following the examination. Students who write an examination during the period specified on this certificate may not plead illness to appeal their examination results. Absence for any other reason must be justified in writing no later than five working days after the examination. Please note that the School usually only accept deferrals for medical reasons (with a valid medical certificate), for death in the immediate family (with a death certificate) or religious reasons. The School reserves the right to accept or reject the reason offered. Travel, employment and misreading the examination schedule are not accepted. Students who have been authorized to miss an examination for an acceptable reason will be allowed to write a deferred examination on a date chosen by the School.

Exams may be comprise a combination of multiple-choice questions (MCQs) and questions similar to the textbook's end-of-chapter exercises/problems; thus, an exam may comprise (i) all MCQs or (ii) all exercises/problems similar to the textbook's, or (iii) a mixture of both.

Personal or work-related reasons do **not** constitute valid excuses for missing a scheduled assignment, quiz, or exam [see web5.uottawa.ca/admingov/regulations.html#r55]. Students who miss a final examination will normally obtain a failing grade for the course. A student may apply for prior authorization to be absent from an examination in exceptional circumstances (see the Telfer School calendar for details).

5) **Emails**

Students will need to check both Brightspace and their University of Ottawa email on at least a weekly basis for communiqués issued by the professor. For reasons of privacy, confidentiality, security, and normal organizational-communications protocol you must use your University of Ottawa email address when emailing your professor or teaching assistant (TA): no University of Ottawa email address, no response. Questions regarding ADM3340 course material should not be the purpose of emailing the professor: use the professor's office hours (see page 1 of this course outline for details) for this purpose.

6) **Getting Help**

If you are having trouble with the course material, you should first seek help from your fellow students and/or the TA (name and contact details to be advised) for this course. The professor is available during the office hours noted on page 1 of this outline and strongly urges students to avail of this assistance.

7) **Protocol for Requests to Review the Mid Term Exam**

- (a) A suggested solution to the mid-term exam scheduled in this course outline will be posted to Brightspace to encourage a student to see and learn where he or she answered correctly and incorrectly on the exam.
- (b) In accordance with university regulations, a request to have the mid-term examination reviewed must be made within 5 working days of the exam being returned to students.
- (c) Any request to have the mid-term exam reviewed for re-marking purposes can only be made if the exam was written in non-erasable pen.
- (d) Such a request must be typed and include a clear and detailed explanation of why the request is being submitted.
- (e) The student's exam will then be reviewed to ensure that it was marked on a consistent basis with the other ADM3340 students' exams. A student's mark will be changed (increased or decreased) only if (i) there is evidence of inconsistent marking, (ii) there is a computational error in the addition of marks or (iii) if a particular part of the student's exam was inadvertently not assessed.
- (f) The reviewed exam and the reviewer's comments will normally be returned to the student within one week of receipt.
- (g) Frivolous requests may result in a loss of marks (see Note #9 below) and may be referred to the Undergraduate Program Director.

8) **WileyPLUS**

WileyPLUS is not required, but is recommended, for this course.

Before you use WileyPLUS you will need to register in your class section at the WileyPLUS website. Please follow the steps in the WileyPlus Flyer posted on Brightspace to walk you through the registration steps. When registering in WileyPLUS for Fall 2019's ADM3340 you should include your University of Ottawa Student ID and your University of Ottawa email address. Once registered in WileyPLUS, you cannot change your WileyPLUS class section.

9) Course protocol

Students are expected to behave in a respectful manner during classes and in their email communications with one another, the TA, and with the professor. Disrespectful behaviour includes:

- Arriving late at class;
- Distracting other students (for example, by talking in class, or by using a laptop or other communication device to view materials not directly related to ADM3340);
- Using a cell phone during class;
- Allowing a cell phone to ring during class;
- Using University of Ottawa email to send inappropriate emails;
- Disrespectful words or actions towards any student or professors;
- Rude or discourteous behaviour;
- Unauthorized photography, video and/or audio recording in class, at DGDs, or in the professor's office;
- Frivolous requests to review a mid-term exam paper (see Note #7 above).
- Requesting the professor to assess the student using an assessment method that differs from that described in this course outline (i.e., requesting preferential treatment).

The professor reserves the right to deduct marks from the overall course mark for disrespectful behaviour: 0.5 to 2 marks for a minor infraction; 1 to 10 marks or more for repeat or serious infractions. The latter will be reported to the Undergraduate Program Director and a record of the incident will be placed in the student's file.

The University of Ottawa will not tolerate any act of sexual violence. This includes acts such as rape and sexual harassment, as well as misconduct that take place without consent, which includes cyberbullying. The University, as well as various employee and student groups, offers a variety of services and resources to ensure that all uOttawa community members have access to confidential support and information, and to procedures for reporting an incident or filing a complaint. For more information, please visit uOttawa.ca/sexual-violence-support-and-prevention/.

10) Statement of Shared Rights and Responsibilities

telfer.uottawa.ca/assets/documents/2017/Statement-of-Shared-Rights-and-Responsibilities-EN.pdf

11) Release of course grade

- Only the Undergraduate Office is permitted to release course grades.
- Professors are not permitted to release course grades.
- It is inappropriate for students to contact the professor after the final examination and before the course grades are released/published by the Undergraduate Office.

Beware of Academic Fraud

Academic fraud is an act committed by a student to distort the marking of assignments, tests, examinations and other forms of academic evaluation. Academic fraud is neither accepted nor tolerated by the University. Anyone found guilty of academic fraud is liable to severe academic sanctions.

Here are a few examples of academic fraud:

- engaging in any form of plagiarism or cheating;
- presenting falsified research data;
- handing in an assignment that was not authored, in whole or in part, by the student;
- submitting the same assignment in more than one course, without the written consent of the professors concerned

In recent years, the development of the Internet has made it much easier to identify academic plagiarism. The tools available to your professors allow them to trace the exact origin of a text on the Web, using just a few words.

In cases where students are unsure whether they are at fault, it is their responsibility to consult the University's Web site at the following address, where you will find resources, tips and tools for writing papers and assignments: web5.uottawa.ca/mcs-smc/academicintegrity/home.php

Persons who have committed or attempted to commit (or have been accomplices to) academic fraud will be penalized. Here are some examples of the academic sanctions, which can be imposed:

a grade of "F" for the assignment or course in question;

an additional program requirement of between three and thirty credits;

suspension or expulsion from the School.

Please be advised that professors have been formally advised to report every suspected case of academic fraud. In most cases of a first offence of academic fraud, the sanction applied to students who have been found guilty is an "F" for the course with an additional three credits added to their program requirements. Repeat offenders are normally expelled from the School of Management.

Finally, the Telfer School of Management asks that students sign and submit with their deliverables the Personal Ethics Agreement form. Two versions of this form exist: one for individual assignments, and one for group submissions. **Assignments will not be accepted or marked if this form is not submitted and signed by all authors of the work.** We hope that by making this personal commitment, all students will understand the importance the School places on maintaining the highest standards of academic integrity. The forms are accessible on Brightspace.

ADM3340 SECTION A FALL 2019 LECTURE SCHEDULE

Week	Opencast* Videos	Chapter Readings, On-line Learning Applications	Assigned Problems
1	#1, #2, #3	Course Introduction Chapter 12 – Intangible Assets and Goodwill [textbook’s 11 th Edition] [Omit <i>Appendix 12A – Valuing Goodwill</i>] mammaifrs.com impairmentlonglivednonfinancialassets.com	BE12-2; BE12-9; BE12-7; E12-1; E12-4; E12-5; E12-9; E12-13; E12-14; E12-15; E12-16; E12-20; E12-21.
2 3	#4, #5	Chapter 13 – Non-Financial and Current Liabilities** bomode.telfer.uottawa.ca/notesrecpay/notereceivable_sheet.aspx bomode.telfer.uottawa.ca/blendednote/Introduction_Sheet.aspx bomode.telfer.uottawa.ca/premiums/Introduction_Sheet.aspx	E13-1; E13-8; E13-4; E13-10; E13-13; E13-16 (omit part g); E13-21 ; E13-26; E13-23; E13-29.
4 5	#6, #7, #8, #9, #10	Chapter 14 – Long-Term Liabilities bondbeagle.com bomode.telfer.uottawa.ca/tdr/input_sheet.aspx	E14-2; E14-4; P14-5 (part 1); E14-17; P14-5 (part 2); E14-24; E14-25; E14-26; P14-18; E14-8; E14-9; P14-6.
6	#11	Chapter 15 – Shareholders Equity [Omit <i>Appendix 15B – Financial Reorganization</i>]	E15-3; E15-2; E15-5; E15-9; BE15-21; BE15-22; BE15-18; P15-2; Ex15-16.
Oct 13 – 19 Reading Week			
7	#12	Chapter 16 – Complex Financial Instruments [Omit <i>Appendix 16A – Hedging</i>] [Omit <i>Appendix 16C – Advanced Models for Measuring Fair Value</i>] bondterrier.com	E16-4; BE16-4; E16-6; E16-2; E16-9 (parts 2, 3, 4); E16-16; E16-15.
Saturday October 26, 1:00-3:30pm Location: to be announced. Mid-Term Examination**** [Chs 12, 13, 14, 15]			
8	#12	Chapter 16 – Complex Financial Instruments (continued) [Omit <i>Appendices 16A and 16C</i>] bondterrier.com bomode.telfer.uottawa.ca/shareissuance/ShareIssuance_Sheet.aspx	E16-19; P16-10; E16-26.
9	#13	Chapter 17 – Earnings Per Share	E17-5; E17-4; E17-9; E17-16; E17-18; P17-9; P17-3; P17-4.
10*** 11	#14, #15, #16, #17, #18	Chapter 21 – Accounting Changes and Error Analysis bomode.telfer.uottawa.ca/inventoryfun/Input_Sheet.aspx	P16-7; E21-5; E21-16 part (a); E21-8; E21-7; E21-18; E21-15; P21-8; P21-14.
12	#19	Chapter 22 – Statement of Cash Flows	E22-10; E22-4; E22-19; E22-1; P22-9; P22-4; P22-13.
December 5-18 Official Examination*** Period			
<p>* You are encouraged to view the Opencast videos which supplement (but do not replace) certain ADM3340’s lectures. ** Textbook’s 12th Edition. *** November 14 is the last day to withdraw with no financial credit from Fall 2019’s ADM3340. **** All ADM 3340 sections write common midterm and final examinations.</p>			

Table of Contents

	<u>Page</u>
INTERMEDIATE ACCOUNTING II.....	1
Due Dates	1
Course Objectives	2
Scope of the Course.....	2
Pedagogy	2
Course Contribution to the Bachelor of Commerce Learning Goals	2
Evaluation.....	3
Textbooks and Other Materials	4
Class Preparation.....	5
Important Notes	6
1) Attendance at Lectures	6
2) Solutions to Assigned End-of-Chapter Problems.....	6
3) Scope of Material.....	6
4) Missed Exams.....	6
5) Emails	7
6) Getting Help	7
7) Protocol for Requests to Review the Mid Term Exam.....	7
8) WileyPLUS.....	7
9) Course protocol.....	8
10) Statement of Shared Rights and Responsibilities	8
11) Release of course grade	8
Beware of Academic Fraud	9
ADM3340 SECTION A FALL 2019 LECTURE SCHEDULE	10
Table of Contents	11