COURSE NAME: ACC190 Principles of Accounting II
Credit Value: 5
Total Course Hours: 70
Prerequisite Course(s): ACC140 ("C" Grade Minimum)
Corequisite Course(s): No

COURSE DESCRIPTION
This course studies the accounting principles as they apply to the recording and presentation of assets, liabilities, and equity and their consequent effect on income determination. Interpretation and analysis of financial results will be emphasized throughout the course.

PLAR INFORMATION
This course is eligible for Prior Learning Assessment and Recognition. Students are advised to discuss options with their program coordinator.

COURSE LEARNING OUTCOMES
Upon completion of this course, the student will have reliably demonstrated the ability to:

1.0 Account for the acquisition, use, and disposal of plant's assets in relation to the accounting concepts.
   1.1 Define the term plant and equipment.
   1.2 Compare and contrast the three major categories of plant and equipment:
      1.2.1 Tangible.
      1.2.2 Intangible.
      1.2.3 Natural resource.
   1.3 Determine the cost of plant and equipment.
   1.4 Distinguish between capital and revenue expenditures.
   1.5 Explain the relationship between the matching principle and depreciation as applied to plant and equipment.
   1.6 Compute depreciation expense using the following methods:
      1.6.1 Straight-line.
      1.6.2 Units-of-output.
      1.6.3 Declining-balance.
   1.7 Apply GAAP to depreciation methods using the following:
      1.7.1 Consistency principle.
      1.7.2 Disclosure principle.
      1.7.3 Conservatism.
      1.7.4 Cost principle.
   1.8 Account for the acquisition and retirement of plant assets.
   1.9 Know the characteristics of and account for the following intangible assets:
      1.9.1 Goodwill.
      1.9.2 Patents.
      1.9.3 Trademarks and trade names.
      1.9.4 Franchises.
      1.9.5 Copyrights.
      1.9.6 Research and development.
   1.10 Account for the depletion of natural resources.

2.0 Recognize various forms of short-term obligations and identify their impact on the financial statement.
   2.1 Recognize the relationship between liabilities and the matching principle.
   2.2 Distinguish between definite and estimated liabilities.
   2.3 Define and give examples of current liabilities including the following:
      2.3.1 Accounts payable.
      2.3.2 Notes payable.
      2.3.3 Payroll liabilities.
   2.4 Account for notes payable and accrued interest.
   2.5 Account for notes payable including interest in the face value.
2.6 Amortize the discount on notes payable.
2.7 Define the term contingent losses.
2.8 Account for payroll, employee deductions, and employer payroll taxes.

3.0 Expand the partnership concept as it relates to accounting issues.
3.1 Review the significant characteristics of a partnership.
3.2 Distinguish between a general partnership and a limited one.
3.3 Account for the following partnership agreements:
   3.3.1 Formation of a partnership.
   3.3.2 Addition of investments.
   3.3.3 Drawings and loans.
   3.3.4 Closing of accounts.
   3.3.5 Dividing net income among partners (considering salary and interest allowances).
   3.3.6 Admission of a new partner.
   3.3.7 Withdrawal of a partner.
   3.3.8 Death of a partner.
   3.3.9 Liquidation of a partnership.
3.4 Prepare a statement of partners’ capital.

4.0 Examine the formation of a corporation and the specific components of the shareholder’s equity section of the balance sheet.
4.1 Review the significant characteristics of a corporation.
4.2 Compare and contrast the balance sheet presentation of the equity section for a proprietorship versus a corporation.
4.3 Account for the authorization and issuance of capital stock.
4.4 Distinguish between par and no-par value capital stock.
4.5 Identify the features of common stock and preferred stock.
4.6 Compare the terms cumulative and non-cumulative.
4.7 Know how to account for the conversion of preferred stock to common stock.
4.8 Understand the redemption provision included in stock.
4.9 Account for stock subscriptions and donated capital.
4.10 Calculate book value per share and compare it to market price per share.
4.11 Account for the exchange of stock for non-cash assets.

5.0 Explore the financial statements of large, publicly-owned corporations in relation to operations, earnings per share, and dividends.
5.1 Know the criteria of extraordinary items.
5.2 Understand the financial statement significance of accounting changes in policies and estimates, as well as corrections of errors.
5.3 Compute earnings per share:
   5.3.1 Basic EPS.
   5.3.2 Fully-diluted EPS.
5.4 Define the terms and account for the following:
   5.4.1 Cash dividend.
   5.4.2 Stock split.
   5.4.3 Stock dividend.
   5.4.4 Liquidating dividend.
5.5 Know the impact on financial recording of dividend dates.
5.6 Prepare a statement of retained earnings.
5.7 List the characteristics of prior period adjustments.
5.8 Explain the concept of treasury stock and record treasury stock transactions.
5.9 Understand the disclosure principle as applied to the source of capital concept.

6.0 Describe and account for different forms of long-term debt used primarily by large corporations.
6.1 Compare and contrast the benefits of the issuance of bonds versus capital stock and state the tax advantages.
6.2 Know the different types of long-term debt:
   6.2.1 Bonds.
   6.2.2 Leases.
   6.2.3 Long-term notes payable.
   6.2.4 Mortgages.
   6.2.5 Pensions.
6.3 Understand the terms premium and discount in relation to market price.
6.4 Account for bond issues, payment of interest, and retirement of bonds.
6.5 Apply the concept of present value to
bonds.
6.6  Define straight-line and effective interest methods of amortization.
6.7  Account for amortization of bond discounts and premiums using straight-line and effective interest rate methods.
6.8  Describe the term convertible bonds payable.
6.9  Explain the duties of the lessee and lessor in relation to leases.
6.10 Define operating and capital leases and give examples of each.
6.11 Prepare an amortization schedule for a mortgage note.

7.0 Prepare and interpret the statement of changes in financial position (SCFP).
7.1 Understand the objectives of the SCFP.
7.2 Explain the role of the SCFP with respect to solvency and liquidity determination.
7.3 Outline the format for the SCFP in relation to its three categories:
   7.3.1 Operating activities.
   7.3.2 Financing activities.
   7.3.3 Investing activities.
7.4 Develop a SCFP with and without working papers and interpret the results.

8.0 Analyze and interpret balance sheet, income statement, and statement of retained earnings information.
8.1 Explain the reasons why financial statement analysis is important to business decision makers.
8.2 Know how to compute the following analyses:
   8.2.1 Common-size financial statements.
   8.2.2 Comparative financial statements.
   8.2.3 Trend analysis.
8.3 Calculate and interpret the following ratios:
   8.3.1 EPS.
   8.3.2 Dividend yield.
   8.3.3 Price-earnings.
   8.3.4 Book value per share.
   8.3.5 Operating.
   8.3.6 Return on assets.
   8.3.7 Return on equity.
   8.3.8 Equity.
   8.3.9 Number of times interest earned.
   8.3.10 Debt.
   8.3.11 Times preferred dividends earned.
   8.3.12 Working capital.
   8.3.13 Inventory turnover.
   8.3.14 Accounts receivable turnover.
   8.3.15 Current.
   8.3.16 Quick.

GENERAL EDUCATION
This is not a General Education course.

PROGRAM VOCATIONAL OUTCOMES
This course contributes to the following Ministry of Training, Colleges and Universities approved program vocational learning outcomes (PVLO):

Business
3. use current concepts/systems and technologies to support an organization's business initiatives.
4. apply basic research skills to support business decision making.
8. use accounting and financial principles to support the operations of an organization.

Business - Accounting
1. record financial transactions in compliance with Canadian Generally Accepted Accounting Principles for sole proprietorships, partnerships, private enterprises, publicly accountable enterprises and non-profit organizations.
2. prepare and present financial statements, reports and other documents in compliance with Canadian Generally Accepted Accounting Principles for sole proprietorships, partnerships and private enterprises.
3. contribute to recurring decision-making by applying fundamental management accounting concepts.
8. contribute to recurring decision-making by applying fundamental financial management concepts.

Culinary Management
2. contribute to marketing effectiveness to promote the successful operation of a hospitality operation.

Culinary Skills - Chef Training
7. apply cost control techniques to food-service operations.

ESSENTIAL EMPLOYABILITY SKILLS OUTCOMES
This course contributes to the following Ministry of Training, Colleges and Universities approved essential employability skills (EES) outcomes:
3. Execute mathematical operations accurately

EXTERNAL COURSE ACCREDITATIONS AND CONDITIONS
A grade of B or better in each of ACC140 and ACC190 provides an exemption for FA1 in the Certified General Accountants program of professional studies. As well, it is one of eleven courses that combined with a diploma provide an exemption from the Business Case Study (BC1) in the CGA program.

COURSE EVALUATION
Test 40%
Assignments 20%
Exam 40%

PROGRAM SPECIFIC GRADING
Per College Grading System

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*For a complete detailed description please refer to the College website.

LEARNING RESOURCES
Recommended:

Resources listed on the course outline support the achievement of learning outcomes, and may be used throughout the course to varying degrees depending on the instructor’s teaching methodology and the nature
of the resource.

LEARNING ACTIVITIES

DELIVERY MODE

In class

This course is also offered in a correspondence version through part-time studies.

ACADEMIC POLICIES

• Academic Integrity
• Academic Appeal
• Academic Attendance
• Grading and Assessment


COLLEGE POLICIES

• Protecting human rights in support of a respectful college community

For college policies please see: http://www.canadorecollege.ca/about-us/college-policies.

STUDENT SUCCESS SERVICES

YOUR SUCCESS MATTERS!

We offer comprehensive, student-focused services designed to help you succeed. Canadore is committed to Student Success and offers CONFIDENTIAL services to help you in your studies. We offer:

• Study skills workshops
• Peer tutoring
• Career guidance
• Mental health and wellness tips and strategies
• Resource centre
• Assistive devices

The ultimate goal of Student Success Services is to support students so they can achieve success academically, in their career aspirations, and in their personal lives. Please don’t hesitate to drop by C262 or to book an
appointment please call 1-705-474-7600 ext. 5205.

**FIRST PEOPLES’ CENTRE:**
We offer a culturally safe environment where our student focused services provide you with the following CONFIDENTIAL services:

- One on one counselling
- Elder in residence
- Peer tutoring
- Peer mentorship
- Lunch & learn workshops on study skills, self-care, life skills
- Resource Centre

Drop by our offices at C254 College Drive, E101 Commerce Court or call 705 474 7600 Ext. 5961 College Drive / 5647 Commerce Court.

**WAIVER OF RESPONSIBILITY**
Every attempt is made to ensure the accuracy of this information as of the date of publication. The college reserves the right to modify, change, add, or delete content.

**HISTORICAL COURSE OUTLINES**
Students use course outlines to support their learning. Students are responsible for retaining course outlines for future use in applications for transfer of credit to other educational institutions.