



**SPROTT MBA  
ACCT 5001, A&B  
Financial Accounting  
Fall 2012 F1**

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**1.0 COURSE COORDINATOR, INSTRUCTOR AND TIMING**

Associate Professor François BROUARD, DBA, FCPA, FCA  
(instructor and course coordinator)

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*Lecture:*

<u>Sections</u>	<u>Instructor</u>	<u>Time</u>	<u>Room</u>
A	François Brouard	Wednesday 14h35 - 17h25	DT 328
B	François Brouard	Wednesday 18h05 - 20h55	DT 328

Teaching assistants (TA), if available

**2.0 COURSE DESCRIPTION**

ACCT 5001 is a financial accounting course. Accounting has often been called "the language of business". This course is designed to help you begin to understand and communicate in this language - something that is important for all users of accounting information, not just preparers of it. Broadly stated, accounting is a process that develops and communicates information about organizations to support economic decision making.

The course is designed to meet the needs of a wide array of students. The content of this course covers financial accounting concepts, principles, and analysis. The course should also help you gain an appreciation for the uses of accounting information and the limitations inherent in accounting information. Its major focus is on the understanding, analysis, and use of financial statement (F/S) information for business decisions.

Precludes additional credit for BUSI 5004.

### 3.0 COURSE OBJECTIVES

Upon completion of this course, students will be expected to have:

- (1) a general understanding of the nature of accounting.
- (2) an understanding of the need for financial information for decisions.
- (3) an understanding of basic accounting concepts and principles.
- (4) an understanding of the preparation of financial statements.
- (5) a general knowledge of financial statement and annual report analysis.
- (6) an understanding (including the limitations) of accounting measurements and reporting.
- (7) skills to understand and to critically read, analyze and interpret financial accounting information.

### 4.0 METHOD OF INSTRUCTION

The format of the course consists generally of one 170-minute class meetings per week. Due to time constraints not all material will be covered in class. Students are responsible for the entire content on each topic as well as all additional topics discussed in class, except for those areas specifically excluded by the instructor.

Class sessions entail a mixture of lecture, case study, problem analysis, and class discussion. The content of any lecture presumes and expects you have carefully studied the assigned reading. Lectures emphasizes major topics and readings, yet you are responsible for all assigned materials. It requires active learning, which means that the student must take responsibility for the learning that takes place. You must do the problems and readings assigned and be prepared for each class. You are encouraged to ask questions and to stimulate discussion on topics that you have difficulty understanding.

### 5.0 GRADING SCHEME

Your grade for the course will depend on both individual work and group work outside of the class, and classroom contributions, as outlined below:

Individual Class Participation	10	(see section 5.1)
Assignments	60	(see section 5.2)
Group Project	* 30	(see section 5.3)
TOTAL	** 100	

\* **To pass the course, students must obtain at least 50% on the group project in addition to other requirements.**

\*\* Satisfactory In-term Performance

- 1) The requirement for Satisfactory In-term Performance is set at 50% of all pre-final term work (i.e. assignments, participation marks, tests, etc.).
- 2) Unsatisfactory In-term Performance in this course will lead to Failure in this course (regardless of the performance at the Final exam) FND (Failure, no deferral) grade in this course (in case of missed Final exam)

5.1 Individual Class Participation

The intent is to have a very interactive class. Students are expected to contribute to class discussions on a constructive and regular basis. Much of your learning will occur during class and cases discussions. Points will be awarded for contributions to the class. Class participation points are not awarded exclusively for "good" answers to questions. Contributions to the class also include asking thoughtful questions, helping to understand complicated ideas, suggesting reasonable alternatives, and being willing to try out new ideas. Individuals may also be asked to present from time to time as part of the individual participation component. Participation will also include occasional announced and unannounced quizzes.

Each student is expected to prepare cases before each class. Their working papers will attest the attempts made by the student to learn the concepts and solve the cases. Points may be awarded for preparation of cases. Students should bring their working papers because the instructor could ask them to examine the work done from time to time. A listing of cases is provided on the course web site. Self-study cases will provide the student with the opportunity to practice the course material.

5.2 Assignments

The assignments include cases and problems. They should be completed individually. The content of each assignment will be posted on the course website.

Hand-in Assignment at the beginning of each class to the instructor. If it is not handed-in before the due date, it will be considered late and subject to a 100% PENALTY.

**NO LATE ASSIGNMENTS WILL BE ACCEPTED.  
MAKE-UP ASSIGNMENTS ARE NOT PROVIDED.**

Be sure to keep a copy for yourself of all your assignments and reports submitted. The time limit for revision of the assignments is equal to 2 weeks after the date of return.

The suggested solutions will be made available, on request, so that students can check their own solutions and thereby determine their understanding of the material. The instructor or teaching assistants should be consulted if the student has difficulty in understanding the suggested solution.

Graded assignments involve both technical aspects and judgment aspects. Consequently, the grading of these cases and problems has both objective and subjective components. The course instructor is committed to providing you with adequate feedback on subjective components of your grades. Additional feedback from your instructor is always available through consultations during scheduled office hours or by arrangement.

### 5.3 Group Project

The detailed content of the Group Project will be posted on the course website. The project will allow an integration of the financial accounting concepts.

**NO LATE PROJECT WILL BE ACCEPTED.  
MAKE-UP PROJECT IS NOT PROVIDED.**

## **6.0 DROP COURSE POLICY**

Students can drop a course up until the END of the second week of classes. Students that drop a class in the third week will receive a WDN but will automatically have the grade changed to ABS. A grade of ABS is considered a failing grade. A required course will have to be taken again. Students with medical reasons and supporting documentation may petition the School to have the ABS grade changed back to WDN.

## **7.0 OFFICE HOURS**

Instructors office hours (without and with appointment) will be announced in class and posted on the course website. A note will also be posted beside Instructor office door.

Teaching assistants may be available for consultation depending on budget allocation. Days, times and location will be announced in class by the instructor and posted to the course website, if any.

## 8.0 COURSE MATERIALS

### 8.1 Required Texts

No specific textbook required.

(Even if it is not required, students without prior accounting knowledge may wish to read chapters in a textbook to supplement courses notes.)

### 8.2 Web page

The instructor will make extensive use of the Internet to post course materials (notes, cases) and other announcements. A WebCT page is used for announcements and posting of course materials. You could find the course WebCT page: <http://webct6.carleton.ca>

See also

<http://sprott.carleton.ca/~fbrouard/links.html>

<http://sprott.carleton.ca/~fbrouard/linksaccounting.html>

### 8.3 Supplemental References

- ANTHONY, R.N., BREITNER, L.K. Essentials of Accounting, 8<sup>th</sup> edition, Upper Saddle River, Prentice-Hall, 2003, 216p.
- ANTHONY, R.N., HAWKINS, D.F., MERCHANT, K.A. Accounting: Text and Cases, 12<sup>th</sup> Edition, Boston, McGraw-Hill Irwin, 2007, 933p.
- BERGERON, P.G. Finance for non-financial managers, 5<sup>th</sup> Edition, London, Nelson, 2008, 561p.
- EASTON, P.D., WILD, J.J., HALSEY, R.F., MCANALLY, M.L. Financial Accounting for MBAs, 5<sup>th</sup> Edition, Cambridge, Cambridge Business Publishers, 2012.
- FRASER, L.M., ORMISTON, A. Understanding Financial Statements, 9<sup>th</sup> Edition, Upper Saddle River, Pearson Prentice-Hall, 2009, 269p.
- FRASER, L.M., ORMISTON, A. Understanding the Corporate Annual Report: Nuts, Bolts and a Few Loose Screws, Upper Saddle River, Prentice-Hall, 2003, 133p.
- LERNER, J.J., CASHIN, J.A. Principles of Accounting I, 5<sup>th</sup> edition, New York, Schaum's Outline Series, McGraw-Hill, 1999, 388p.
- LERNER, J.J., CASHIN, J.A. Principles of Accounting, New York, Schaum's Easy Outlines, McGraw-Hill, 2001, 153p.
- ORDRE DES COMPTABLES AGRÉÉS DU QUÉBEC. Understanding Financial Statements, n.d., 12p.
- PARKINSON, J., DRAIMIN, C. Accounting for Non-Financial Managers, revised 2<sup>nd</sup> edition, Concord, Captus Press, 2007, 470p.
- PRATT, J., HIRST, D.E. Financial Reporting for Managers - A Value-Creation Perspective, Hoboken, John Wiley & Sons, 2009, 430p.
- SCHILIT, H.M., PERLER, J. Financial Shenanigans - How to detect accounting gimmicks & fraud in financial reports!, 3<sup>rd</sup> edition, New York, McGraw-Hill, 2010, 320p.
- SCHOENEBECK, K.P. Understanding and Analyzing Financial Statements A Project-Based Approach, 4<sup>th</sup> edition, Upper Saddle River, Pearson Prentice-Hall, 2007, 136p.
- STANKO, B.B., ZELLER, T.L., BATSTONE, T.E. Introduction to the Corporate Annual Report - A Business Application, Canadian edition, Mississauga, John Wiley & Sons Canada, 2005, 64p.
- TRACY, J.A. How to Read A Financial Report: Wringing vitals signs out of the numbers, 7<sup>th</sup> edition, Hoboken, John Wiley & Sons, 2009, 201p.

## 8.4 Other Carleton University resources

### Carleton University websites

Carleton University	<a href="http://www.carleton.ca/">http://www.carleton.ca/</a>
Sprott School of Business	<a href="http://www.sprott.carleton.ca/">http://www.sprott.carleton.ca/</a>
Sprott MBA Society	<a href="http://www3.carleton.ca/clubs/mbasociety/">http://www3.carleton.ca/clubs/mbasociety/</a>
Sprott Paper Writing Guidelines	<a href="http://www.sprott.carleton.ca/studentservices/resources/printable/documentation_guide.pdf">http://www.sprott.carleton.ca/studentservices/resources/printable/documentation_guide.pdf</a>

## 9.0 CONDUCT

Professional conduct is built upon the idea of mutual respect. Such conduct entails (but is not necessarily limited to):

- *Attending the class.*

Each class benefits from the attendance and participation of all students. Your grade for participation will be affected by absences. Regular class attendance is important and required. I expect you to attend class and contribute to a quality discussion. Class and team discussion of the materials (e.g., readings, assignments, and cases) are an important part of the learning process. If circumstances prevent attendance at a class meeting, please remember that you are responsible for all materials discussed, handouts distributed, assignments covered, and announcements made.
- *Arriving on time.*

Late arrivals are disruptive to both lectures and class discussion, and show disrespect to those who are on time.
- *Minimizing disruptions.*

You should not leave and re-enter the class. You should avoid engaging in side conversations after class has begun.
- *Focusing on the class.*

While you may take notes on laptops, do not use laptop computers or hand-held devices for other tasks while in class. Activities such as net surfing, and answering email are very impolite and disruptive both to neighbors and the class.
- *Being prepared for class.*

You should be ready to discuss any assigned readings and to answer any assigned questions for each day's class, including being ready to open a case assigned for that day.
- *Respect.*

You should act respectfully toward all class participants. Class participation grading reflects student adherence to these principles; students gain credit for contributing valuable insights and students lose credit if they fail to adhere to any of the above guidelines.
- *Cellular phones.*

The use of cellular phones IS NOT PERMITTED in this class. It is disruptive to the instructor and class members. If you carry a phone to class, please make sure it is turned off. If an emergency situation requires you to keep your cell phone turned on you may wish to keep the silent mode on, please discuss this with the instructor prior to the class starting.

## 10.0 STUDENT PREPARATION

### 10.1 Background reading

Each course module contains readings about tax concepts and issues. The content of any lecture presumes and expects you have carefully studied the assigned reading.

### 10.2 Homework cases and problems

Students learn technical accounting materials best when they have to apply them, rather than listening to lectures. So, you should expect to solve problems every week. Some of the cases and problems are for self-study; solutions are provided. Some of the cases and problems will be important preparation for the class discussions (which affect your individual participation points). You can't expect to become a professional athlete only by watching sports on TV. It's the same thing with accounting.

### 10.3 Aids to help you answer the questions raised by the cases and problems

These aids may take many forms depending on requests in WebCT discussion forum. It could be a list of hints to help you get started or progress. Sometimes, there will be supplemental readings. Other times, the aids will direct you to one of the campus or local libraries to use computer data bases or other reference materials to find the information you need to help you solve the cases or problems.

### 10.4 Suggested approach

You could look at your study habits with the following questions.

- Have you got an overview of the chapter before the lecture?
- Have you read the slides before the lecture?
- Have you prepared cases before the lecture?
- Have you prepared your questions before attending classes?
- Have you attended class as an active learner and participant?
- Have you prepared for class as per your instructor directives?
- Have you read the chapter?
- Have you tried to solve the recommended problems/cases?
- Have you compared your personal solutions with the solutions?
- Have you tried to understand the materials by discussing it with colleagues?
- Have you tried to ask your question by sending a question on Discussion forum (WebCT)?
- Have you consult your instructor with your problems?
- Have you consulted TA's with your problems?

Note that the Sprott School of Business requires that correspondence with professors be carried out through your Carleton email account only.

## 11.0 ACADEMIC INTEGRITY

Ethics and values are very important in accounting and the world of business, non-profit and government organizations. We will consider ethical issues in accounting throughout this course. Ethics and values are also important in education. Instructors will assume, unless there is evidence to the contrary, that you are an ethical student. To help you fulfill your ethical responsibilities as a student, the ethical standards for this course are listed below.

### 11.1 Graded Group Assignments

All work is to be performed exclusively by the members of the group and all group members must contribute their fair share to each assignment. If outside research is performed, sources are to be cited and information discovered via outside research is to be clearly labeled as such. If outside research is performed, the products of your research are not to be shared with any student who is not a member of the group.

### 11.2 Examinations

All exams must be the exclusive work of the individual student.

### 11.3 Plagiarism

The University's Senate defines plagiarism in the regulations on instructional offences as: "to use and pass off as one's own idea or product work of another without expressly giving credit to another."

Borrowing someone else's answers, unauthorized possession of tests or answers to tests, or possession of material designed to help answering exam questions, are also subject to university policy regarding instructional offences. For more information on Carleton University's Academic Integrity Policy, consult:  
[http://www.carleton.ca/studentaffairs/academic\\_integrity](http://www.carleton.ca/studentaffairs/academic_integrity)

The photocopying of substantial portions of a textbook (e.g. more than 1 chapter or 15% of the total page count) without the publisher's permission is another misuse of intellectual property, and is also a violation of Canadian copyright law. You may also find useful information at: <http://www.library.carleton.ca/copyright/>

### 11.4 Penalty for academic integrity violations

University recommended sanctions for academic integrity violations will be imposed. All academic integrity violations must be reported.



## **12.0 REQUIRED CALCULATOR IN BUSI COURSE EXAMINATIONS**

Starting Fall 2007, only Texas Instruments BA II Plus calculators will be permitted in all Business course examinations. This calculator is available in the campus bookstore (1<sup>st</sup> floor, University Centre) and at various other off-campus retail stores.

## **13.0 GROUP WORK**

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. If you have a group assignment, you may find useful the resources at [http://sprott.carleton.ca/academic\\_programs/groupwork.html](http://sprott.carleton.ca/academic_programs/groupwork.html)

Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

## **14.0 MEDICAL CERTIFICATE**

Please note that in all occasions that call for a medical certificate you must use or furnish the information demanded in the standard university form.

[http://www.carleton.ca/registrar/forms/Med\\_Cert\\_Carleton\\_University.pdf](http://www.carleton.ca/registrar/forms/Med_Cert_Carleton_University.pdf)

## **15.0 PERSONS WITH DISABILITIES**

Students with disabilities requiring academic accommodations in this course are encouraged to contact a coordinator at the Paul Menton Centre (PMC) for Students with Disabilities to complete the necessary letters of accommodation. After registering with the PMC, make an appointment to meet and discuss your needs with your instructor at least two weeks prior to the first in-class test or ITV midterm exam. This is necessary in order to ensure sufficient time to make the necessary arrangements. Please note the deadlines for submitting completed forms to the PMC for formally scheduled final exam accommodations: November 9, 2012 for Fall and Fall/Winter term courses, and March 5, 2013 for Winter term courses. For all PMC information, please refer to <http://www.carleton.ca/pmc/>

## **16.0 RELIGIOUS OBSERVANCE**

Students requesting academic accommodation on the basis of religious observance should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the

first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory academic event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

## **17.0 PREGNANCY**

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a *letter of accommodation*. The student must then make an appointment to discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

## **18.0 CHANGES TO THE SYLLABUS**

A syllabus is a tool to help you plan your time. Every effort is made to make the syllabus as complete as possible, but there may be occasions when changes are required. The instructor will announce any deviations from the syllabus in class and the change will be posted on the course web page.

## **19.0 RELEVANT DATES**

- |  |                      |
|--|----------------------|
| - MBA Boot camp - Academic Orientation. All students are expected to be on campus. | September 4-7, 2012  |
| - MBA Classes F1 begin   | September 10, 2012   |
| - University Day at Carleton, Classes suspended                                    | October 5, 2012      |
| - Statutory holiday, University closed   | October 8, 2012      |
| - MBA Classes F1 end   | October 19, 2012     |
| - MBA Exam week F1   | October 22-26, 2012  |
| - MBA Classes F2 begin   | October 29, 2012     |
| - MBA Classes F2 end   | December 7, 2012     |
| - MBA Exam week F2   | December 10-14, 2012 |

## ACCT 5001 - SUMMARY OF SCHEDULE - Fall 2012

	<b>Lecture Wed.</b>	<b>Topic</b>	<b>Notes</b>
L1	Sept. 12	Introduction to Course Nature of Accounting Accounting Principles and GAAP	Learning Objectives for a Fin. Acc. Course Roadmap to Study Financial Accounting Note on Accounting Principles and GAAP
L2	Sept. 19	Accounting Process and Cycle	Note on the Accounting Process
L3	Sept. 26	Financial Statements Preparation F/S: Balance Sheet F/S: Income Statement F/S: Statement of Retained Earnings	Sea Dog Kayak inc. F/S Note on Bank Reconciliation Note on Inventory
L4	Oct. 8	F/S : Statement of Cash Flows	Note on Cash Flow Statement
L5	Oct. 10	Financial Information Financial Statement (F/S) Analysis Annual Report Analysis	Note on F/S Analysis Note on F/S Analysis Main Ratios Note on F/S Analysis Methodology Note on the Annual Report
L6	Oct. 17	Using Financial Accounting Information F/S : Notes to Financial Statement	Note on Notes to the F/S Note on Accountants' Reports

## ACCT 5001 - SUMMARY OF DUE DATE - Fall 2012

	<b>Due Date Wednesday</b>	<b>Work to do (in addition to readings and case preparation - See Roadmap to study financial accounting for more information)</b>
L1	Sept. 12	<b>Submission of Student Information Questionnaire</b> Photo of students (taken by the Professor)
L2	Sept. 19	<b>Submission of Assignment #1</b>
L3	Sept. 26	<b>Submission of Assignment #2</b>
L4	Oct. 8	<b>Submission of Assignment #3</b>
L5	Oct. 10	<b>Submission of Assignment #4</b>
L6	Oct. 17	<b>Submission of Assignment #5</b> <b>Submission of Group Project Report</b>

Bring the Sea Dog Kayak Financial Statements at every class.