

## MOS 4465B Advanced Accounting Course Outline: Section 001-002 January 2016

### 1. Course Information:

#### 1.1

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 Office Hours: Friday 9:30-1:00

Class Section	Days	Start Time	End Time	Bldg and Room	Instructor
001	Wednesday	7:00 pm	10:00 pm	SSC 3010	Dawson
002	Monday	3:30 pm	4:30 pm	SSC 3010	Dawson
	Wednesday	3:30 pm	5:30 pm	SSC 3010	

DAN Management and Organizational Studies strives at all times to provide accessibility to all faculty, staff, students and visitors in a way that respects the dignity and independence of people with disabilities. Please contact the course instructor if you require material in an alternate format or if you require any other arrangements to make this course more accessible to you. You may also wish to contact Services for Students with Disabilities (SSD) at 519-661-2111 ext 82147 for any specific question regarding an accommodation. More information about "Accessibility at Western" is available at: <http://accessibility.uwo.ca>

### 2. Calendar Description

#### 2.1 Course Description:

Advanced financial accounting topics including international accounting and Canadian accounting treatment of intercorporate investments, business combinations, foreign currency transactions and translation, and accounting for not-for-profit organizations.

**Antirequisite(s):** Business Administration 4427A/B and the former MOS 4460A/B and 4461A/B.

**Prerequisite(s):** MOS 3361A/B and enrolment in 4th year of BMOS.

**Extra Information:** 3 lecture hours, 0.5 course.

## **2.2 Senate Regulations**

Senate Regulations state, “unless you have either the requisites for this course or written special permission from your Dean to enroll in it, you will be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites.”

## **3. Textbook:**

Hilton, Murray W. and Herauf, Darrell. Modern Advanced Accounting in Canada, 7th Edition, McGraw-Hill Ryerson Limited, 2013. (ISBN: 0-07-105152-x)

## **4. Course Objectives and Format**

### **4.1 Course objectives**

MOS 4465A is an advanced financial accounting course focusing on international accounting and Canadian accounting treatment of inter-company investments, business combinations plus special consolidation issues, foreign currency transactions and translation and accounting for not-for profit organizations. Prerequisite: MOS 3360A, 3361B. Restricted to: 4<sup>th</sup> year MOS students

### **4.2 Learning Outcomes:**

- Accurately construct consolidated financial statements for a Parent Company and its subsidiaries summarizing transactions between related parties and incorporating them in the consolidated financial statements.
- Analyze mergers and acquisition activity to demonstrate that IFRS requirements have been followed. Contrast recent acquisitions to determine which should have most significant impact on future results for the acquirer.
- Generate appropriate entries to record foreign exchange transactions for a fair value hedge and a cash flow hedge and translate financial statements from a foreign currency into Canadian dollars using appropriate foreign exchange rates for integrated and self-sustaining foreign operations.
- Prepare journal entries for contributions received and disbursements made for Not-for-Profit organizations. Distinguish the differences in recording transactions under different accounting methods and prepare the financial statements appropriate for the selected accounting method.

### **4.3 Course format**

Weekly classes will include lectures, group discussions and discussing assigned problems and cases. Participation is required. Solutions will be posted on OWL2.

## 5. Evaluation

Test/Exam	Chapters	Date/Time	Location	% of Total Grade
Mid-Term 1	1 – 5	Friday, February 5 1:00-4:15 pm	SSC 2032 SSC 2036	25%
Mid-Term 2	6-7	Friday March 4 1:00-4:30 pm	SSC 2032 SSC 2036	20%
Final Exam	8-12 excluding 9	Final Exam Period TBA April 9-30	TBA	30%
Hand-in Assignment		Thursday, April 7 4:00 pm To be posted on OWL2	SSC 4430 or in class	15%
Participation				10%

### **PARTICIPATION**

It is expected that students will attend all classes and arrive on time and ready to work. I will be evaluating on a daily basis both the quantity and quality of your efforts. The main objective of your contribution is not evaluation but learning or helping your colleagues (and instructor) to learn. The following list might be of some help.

#### **A -- EXCELLENT**

- contributed consistently to class discussions
- contributions indicated preparation and deep thought
- frequently explained difficult points or concepts
- provided positive direction for class discussions
- able to build and develop strong arguments for position

#### **B -- GOOD Contribution**

- contributed consistently to discussions
- contributions indicated preparation and some thought
- often explained difficult points or concepts
- occasionally built arguments for a position

#### **C -- FAIR Contribution**

- contributed to class discussions
- gave indication of preparation and thought
- occasionally helped in developing an argument

#### **D -- POOR Contribution**

- contributed infrequently to discussions
- gave little indication of preparation and thought
- did not aid in providing a positive atmosphere for meaningful discussion

#### **E -- UNSATISFACTORY**

- never, or almost never contributed to discussions
- gave no indication of preparation or thought

Exams are mixed **in format**. Each exam, in total, will be scheduled for 3 ¼, 3 ½ and 4 hours and are **closed book examinations**. **Dictionaries are NOT allowed into the examinations.**

**Only non-programmable calculators will be allowed into the exams.** If you are unsure, please ask your professor to check your calculator.

Students are responsible for material covered in the lectures as well as the assigned chapters/sections in the text. Exams 1 and 2 will be on Fridays. The final exam will be scheduled during the exam period. Exams will not be returned to students but may be reviewed in the instructor's office.

Students are **REQUIRED TO COMPLETE ALL COMPONENTS** of this course. There are no exceptions to this. Extra assignments to improve grades **will NOT** be allowed.

Exams will be scored using the program Scan Exam which examines the answer sheets for unusual coincidences in the pattern of answers given which may be indicative and used as supporting evidence of cheating.

Grades will **not** be adjusted on the basis of need. It is important to monitor your performance in the course. Remember: *You* are responsible for your grades in this course.

## 6. University Policy Regarding Illness

### 6.1 Illness

The University recognizes that a student's ability to meet his/her academic responsibilities may, on occasion, be impaired by medical illness. Illness may be acute (short term), or it may be chronic (long term), or chronic with acute episodes. The University further recognizes that medical situations are deeply personal and respects the need for privacy and confidentiality in these matters. However, in order to ensure fairness and consistency for all students, academic accommodation for work representing 10% or more of the student's overall grade in the course shall be granted only in those cases where there is documentation supplied (see below for process) indicating that the student was seriously affected by illness and could not reasonably be expected to meet his/her academic responsibilities.

Documentation shall be submitted, as soon as possible, to the appropriate Dean's office (the Office of the Dean of the student's Faculty of registration/home Faculty) together with a request for relief specifying the nature of the accommodation being requested. These documents will be retained in the student's file, and will be held in confidence in accordance with the University's Official Student Record Information Privacy Policy

[http://www.uwo.ca/univsec/pdf/academic\\_policies/general/privacy.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/general/privacy.pdf)

Once the petition and supporting documents have been received and assessed, appropriate academic accommodation shall be determined by the Dean's Office in consultation with the student's instructor(s). Academic accommodation may include extension of deadlines, waiver of attendance requirements for classes/labs/tutorials, arranging Special Exams or Incompletes, re-weighting course requirements, or granting late withdrawals without academic penalty.

Academic accommodation shall be granted only where the documentation indicates that the onset, duration and severity of the illness are such that the student could not reasonably be expected to complete his/her academic responsibilities. (Note: it will not be sufficient to provide documentation indicating simply that the student was seen for a medical reason or was ill.)

A form to be completed by off-campus physicians is available at:  
[http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf)

Whenever possible, students who require academic accommodation should provide notification and documentation in advance of due dates, examinations, etc. Students must follow up with their professors and their Academic Counselling office in a timely manner.

In the case of a final examination in the course, the student must arrange for a Special Examination or Incomplete through their Dean's office, for which you will be required to provide acceptable documentation.

If you feel that you have a medical or personal problem that is interfering with your work, you should contact your instructor and the Faculty Academic Counselling Office as soon as possible. Problems may then be documented and possible arrangements to assist you can be discussed at the time of occurrence rather than on a retroactive basis. In general, retroactive requests for grade revisions on medical or compassionate grounds will not be considered.

## **6.2 Make Up Examinations**

The student must write a make-up exam if the regularly scheduled exam is missed for reasons for which adequate documentation is received by the instructor (this documentation must be supplied by the Academic Counseling office).

## **6.3 Attendance**

It is expected that students will attend all classes. The professor does not provide access to lecture notes. Students are encouraged to obtain missed lecture notes from a fellow student.

## **7. University Policy on Cheating and Academic Misconduct**

Cheating on exams will not be tolerated; students are referred to the university policy on scholastic offenses (see section 9.0 below). Looking at the test of another student, allowing another student to view your exam, or obtaining information about a test in advance are all examples of cheating. Students found cheating will receive a zero (0%) on that exam. A number of safeguards will be employed to discourage cheating. For example, examination supervisors (proctors) of the tests may ask students to move to another seat during the exam, cover their paper, avert their eyes from other students' papers, remove baseball caps, etc. This is not meant as a

personal affront nor as an accusation of cheating, rather as vigilant attempts at proctoring. A copy of guidelines about how to avoid cheating can be obtained from the office of the Ombudsperson, Room 3135 WSS, (519) 661-3573.

Students are responsible for understanding the nature of and avoiding the occurrence of plagiarism and other academic offenses. Students are urged to read the section on Scholastic Offenses in the Academic Calendar. Note that such offenses include plagiarism, cheating on an examination, submitting false or fraudulent assignments or credentials, impersonating a candidate, or submitting for credit in any course without the knowledge and approval of the instructor to whom it is submitted, any academic work for which credit has previously been obtained or is being sought in another course in the University or elsewhere. If you are in doubt about whether what you are doing is inappropriate, consult your instructor. A claim that "you didn't know it was wrong" will not be accepted as an excuse.

The penalties for a student guilty of a scholastic offense include refusal of a passing grade in the assignment, refusal of a passing grade in the course, suspension from the University, and expulsion from the University.

#### **8. Procedures For Appealing Academic Evaluations**

In the first instance, all appeals of a grade must be made to the course instructor (informal consultation). If the student is not satisfied with the decision of the course instructor, a written appeal must be sent to the Assistant Program Director or Designate of the BMOS program. If the response of the Assistant Director is considered unsatisfactory to the student, he/she may then appeal to the Dean of the Faculty in which the course of program was taken. Only after receiving a final decision from the Dean, may a student appeal to the Senate Review Board Academic. A Guide to Appeals is available from the Ombudsperson's Office.

#### **9. Student Responsibilities**

Material covered in lectures will not always be the same as material covered in the textbook. These two sources should be viewed as complimentary and not redundant. As such, students who want to do well in this course are **strongly encouraged** to attend lectures on a regular basis. Please note that the instructor will not be providing copies of lectures notes or overheads. Therefore, if you miss a lecture, you should try to obtain this material from another student.

In this class, some students may be unaware that their private discussions are distracting to other people. If you feel that students are distracting your attention from the material, then you should ask them to be quiet. If you feel uncomfortable doing this (or the problem persists), then please see the instructor. In addition, please avoid engaging in private discussions with other students during the lectures.

To avoid unnecessary distractions, please arrive to each class on time.

## 10. Support Services

### 10.1 Support Services

The Registrar's office can be accessed for Student Support Services at

<http://www.registrar.uwo.ca>

Student Support Services (*including the services provided by the USC listed here*) can be reached at: <http://westernusc.ca/services/>

Student Development Services can be reached at: <http://www.sdc.uwo.ca/>

Students who are in emotional/mental distress should refer to Mental

Health@Western [http://www.health.uwo.ca/mental\\_health/](http://www.health.uwo.ca/mental_health/) for a complete list of options about how to obtain help.

## 11. Other Issues

### 11.1 Grade Policy

The DAN Program has a grade policy which states that for courses in the 300-400 range, the class average must fall between 70% and 75% for all sections of a course taught by the same instructor. In very exceptional circumstances only, class averages outside this range may be approved by the Undergraduate Chair or Chair. Class averages are not grounds for appeal.

### 11.2 Short Absences.

If you miss a class due to minor illness or other problems, check your course outlines for information regarding attendance requirements and make sure you are not missing a test or exam. Cover any readings and arrange to borrow the missed lectures notes from a classmate.

### 11.3 Extended Absences.

If you are absent more than approximately two weeks or if you get too far behind to catch up, you should consider reducing your workload by dropping one or more courses. The Academic Counsellors can help you to consider the alternatives. At your request, they can also keep your instructors informed about your difficulties.

### 11.4 Academic Concerns.

If you are in academic difficulty, it is strongly recommended that you see your academic counsellor.

### 11.5 Important Dates:

January 4	Winter/Spring term classes begin
January 12	Last day to add a second-term half course
January 31	Deadline to apply for relief against a final grade in a first-term course
February 15-19	Reading Week
March 7	Last day to drop a second-term half course, without academic penalty
March 25	Good Friday
April 6	Winter/Spring session classes end
April 7, 8	Study days
April 9-30	Final examination period
April 30	Last day to receive applications for graduation: Spring convocation

## Other Information

- Bring student identification to exams.
- Nothing is to be on/at one's desk during an exam except a pencil, an eraser, and the individual's student card
- Do not wear baseball caps to exams
- Do not bring music players, cell phones, beepers, or other electronic devices to exams

For The University of Western Ontario Senate Regulations, please see the Handbook of Academic and Scholarship Policy at:

[http://www.uwo.ca/univsec/academic\\_policies/index.html](http://www.uwo.ca/univsec/academic_policies/index.html)

- 12. E-mail Policies** The following policies apply to all emails between students and the Professor. Please respect the fact that the Professor receives hundreds of emails from students and must deal with those emails in a fair and organized manner. Non-acceptable emails will receive a reply saying only "Please see Email Policies on the course outline".

### 13. UWO.CA Email Addresses Only

For privacy reasons, students must use their Western email accounts to contact the Professor. The Professor will not respond to emails from non-uwo.ca addresses (e.g. hotmail.com, gmail.com, etc.).

#### 13.1 Subject Line Must Include Course and Section Number

The subject line of emails must contain the name or number of the course, and the section number in which the student is enrolled. The Professor teaches different courses and sections and cannot properly respond to questions if he does not know which course or section you are enrolled in.

#### 13.2 Acceptable Emails

- questions about the course content or materials
- asking to set up an appointment to ask questions or review an exam
- notification of illness or other special circumstances
- providing constructive comments or feedback about the course

#### 13.3 Non-Acceptable Emails

- questions that may be answered on OWL or on this course outline
- asking when grades will be posted
- asking what grade a student received
- asking where or when an exam is scheduled or the material covered on an exam
- requests for grade increases, extra assignments, or reweighting of course components



## 14. Lecture and Examination Schedule

### TENTATIVE LECTURE OUTLINE

WEEK	TOPIC AND ASSIGNMENT
Week 1 Jan 4-8	<p><b>COURSE INTRODUCTION</b> Lecture: Hilton Chapter 1 and 2</p> <p><b>INTERNATIONAL ACCOUNTING INVESTMENTS IN EQUITY SECURITIES</b> Readings: Hilton, Chapters 1 and 2 Cases: 1-2, 1-3, 2-3 Problems: 1-2, 1-4, 2-2, 2-3, 2-5, 2-6 Review: Self Study Problems Chapters 1, 2 (See Ch 2 PP slides for acquisition differential)</p>
Week 2 Jan 11-15	<p><b>BUSINESS COMBINATIONS</b> Lecture: Chapter 3, Appendix 3A Readings: Hilton, Chapter 3 Cases: 3-2, 3-4 Problems: 3-2, 3-4, 3-6, 3-12 Review: Self Study Problems Chapter 3</p>
Week 3 Jan 18-22	<p><b>CONSOLIDATION OF NON-WHOLLY OWNED SUBSIDIARIES</b> Lecture: Chapter 4 Readings: Hilton, Chapter 4 Cases: 4-4, 4-6 Problems: 4-2, 4-4, 4-6 (iv only), 4-12 Review: Self Study Problems Chapter 4</p>
Week 4 Jan 25-29	<p><b>CONSOLIDATION SUSEQUENT TO ACQUISITION DATE COST/EQUITY</b> Lecture: Chapter 5 Readings: Hilton, Chapter 5, Appendix 5A, 5B Case: 5-2, 5-5 Problems: 5-1, 5-2, 5-5, 5-9, 5-11a, 5-12a Review: Self Study Problems Chapter 5</p>
Week 5 Feb 1-5	<p><b>CATCH-UP AND REVIEW</b> Chapters 1-5</p>
<b>TEST #1</b>	<p><b>Friday, February 5, 2016</b> Chapters 1-5 1:00-4:15 (all sections) Location: SSC 2032, SSC 2036</p>

**Week 6 INTERCOMPANY INVENTORY AND LAND PROFITS**

Feb 8-12  
Lecture: Chapter 6  
Readings: Hilton, Chapter 6, Appendix 6A  
Case: 6-2  
Problems: 6-2, 6-4, 6-7, 6-10  
Review: Self-Study Problems Chapter 6

**Week 7 READING WEEK – NO CLASSES**

Feb15-19

**Week 8 INTERCOMPANY PROFITS (A) DEPRECIABLE ASSETS**

Feb 22-26  
Lecture: Chapter 7A, Appendix 7A  
Readings: Hilton, Chapter 7A  
Case: 7-1, 7-3  
Problems: 7-2, 7-16, 7-17  
Review: Self Study Problem 1

**INTERCOMPANY PROFITS (B) BONDHOLDINGS**

Lecture: Chapter 7B  
Readings: Hilton, Chapter 7B  
Problems: 7-9, 7-10  
Review: Self Study Problem 2

**Week 9 CONSOLIDATED CASH FLOWS AND OWNERSHIP ISSUES**

Feb 28-  
Mar 4  
Lecture: Chapter 8  
Readings: Hilton, Chapter 8  
Case: 8-1, 8-2  
Problems: 8-2, 8-3, 8-6, 8-7, 8-15  
Review: Self Study Problems Chapter 8

**TEST #2** **Friday, March 4** **Chapters 6-7**  
**1:00-4:30 pm (all sections)** **Location: SSC 2032, SSC 2036**

**Week 10 FOREIGN CURRENCY TRANSACTIONS**

Mar 7-11  
Lecture: Chapter 10  
Readings: Hilton, Chapter 10, Appendix 10A  
Problems: 10-2, 10-5, 10-6, 10-9, 10-12  
Review: Self Study Chapter 10 Problems 1, 2

**Week 11 TRANSLATION OF FOREIGN OPERATIONS**

Mar 14-18  
Lecture: Chapter 11  
Readings: Hilton, Chapter 11  
Problems: 11-3, 11-4, 11-5, 11-9, 11-11  
Review: Self Study Problems Chapter 11

**Hand-in Assignment Due: Tuesday, April 7, 2016 SSC 4430  
(To be posted on the course website)**

Week 12      **ACCOUNTING FOR NOT-FOR-PROFIT ORGANIZATIONS AND  
Mar 21-25    PUBLIC SECTOR ORGANIZATIONS**

Lecture:      Chapter 12  
Read:          Chapter 12, Appendix A, B  
Assignment: Web Based Problem 1, Case 1, 2  
Problems:     12-1, 12-4

Week 13      **NOT-FOR-PROFIT (continued)**

Mar 28 -      Read:          Chapter 12  
Apr 1          Assignment: Case 3, 5  
Problems:     12-5, 12-8, 12-10, 12-11

Week 13      **REVIEW FOR FINAL EXAM** (CHAPTERS 8-12 excluding 9)  
Apr 4-6      All Sections "catch-up"

Apr 7-8      **STUDY DAY**

Apr 9-30     **FINAL EXAM** – TBA (All Sections)  
Exam Period 4 Hour Exam (Chapters 8-12 excluding 9)  
Short Answer, Calculations and Multiple Choice