




# Business Administration

Course Number:	<b>BUAD 462</b> (formerly BUAD 362)
Course Title:	<b>ADVANCED FINANCIAL ACCOUNTING</b>
Credits:	3
Calendar Description:	This is the final course in the financial accounting sequence. Topics include financial reporting and standard setting, financial instruments, income tax allocation, business combinations and consolidations, foreign currency hedges and translation, and accounting for not-for-profit and government organizations. (also offered by Distance Education)
Semester and Year:	<b>WINTER 2019</b>
Prerequisite(s):	BUAD 273
Corequisite(s):	No
Prerequisite to:	No
Final Exam:	Yes
Hours per week:	4
Graduation Requirement:	Elective – BBA
Substitutable Courses:	No
Transfer Credit:	CPA credit
Special Notes:	Students with credit for BUAD 362 cannot take BUAD 462 for additional credit.
Originally Developed:	February 2000
EDCO Approval:	May 2017
Chair's Approval:	

**Professors**

Name	Phone	Office	Email
<i>Mary Ann Knoll</i> <i>Course Captain</i>	250-762-5445 ext. 4363	K: C135	mknoll@okanagan.bc.ca

**Learning Outcomes**

Upon completion of this course students will be able to

- account for business combinations involving purchase of net assets and purchase of shares.
- apply Generally Accepted Accounting Principles to the preparation of consolidated financial statements of wholly-owned and non-wholly-owned subsidiaries
  - at and subsequent to acquisition,
  - involving inter-company transactions, and
  - involving deferred income tax.
- translate and consolidate the financial statements of a subsidiary that reports in a foreign currency.
- account for joint operations and joint ventures.
- account for foreign currency transactions and hedges.
- apply the standards for accounting for non-profit organizations.

**Course Objectives**

This course will cover the following content:

- A survey of international accounting
- Investments in equity securities
- Business combinations
- Consolidation of non-wholly owned subsidiaries
- Consolidation subsequent to acquisition date
- Intercompany inventory and land profits
- Intercompany profits in depreciable property
- Consolidate cash flows and ownership issues
  - Special-purpose entities
  - Joint arrangements
  - Deferred income taxes and business combination
- Foreign currency transactions
- Translation and consolidation of foreign operations
- Accounting for not-for-profit organizations

**Evaluation Procedure**

Term Work (Homework 5%, Cases 5%)	10%
Mid-term Exam	40%
Final Exam	50%
Total	100%

**Notes**

This course has a 4-hour final exam.

**Website:** A Moodle site will be available for each section of the course. This website will contain outlines for each chapter and extra problem solutions, along with general information about the course. It is important for students to print out the chapter outlines and bring them to class.

**Exams:** Please note that College Examination Policy states that all students must write final examinations when required at the scheduled times and dates.

**Required Texts/Resources**

Modern Advanced Accounting in Canada, Murray W. Hilton, 8th edition.

## Course Schedule

Date		Topic	Textbook
2019 Week of:		Monday, January 7 - Classes Start Monday, February 18 – Family Day (no classes) Tuesday, February 19 - Friday, February 22 – Reading Week (no classes) Tuesday, April 12 – Last Day of Regular Classes Friday, April 19 – Monday, April 22 – Easter (no classes)	
Jan	6-12	Introduction A Survey of International Accounting Investments in Equity Securities	Ch. 1 Ch. 2
	13-19	Investments in Equity Securities Business Combinations	Ch. 2 Ch. 3
	20-26	Business Combinations Consolidated Statements on Date of Acquisition	Ch. 3 Ch. 4
Jan/Feb	27-2	Consolidated Statements on Date of Acquisition Consolidation Subsequent to Acquisition Date	Ch. 4 Ch. 5
Feb	3-9	Consolidation Subsequent to Acquisition Date	Ch. 5
	10-16	Intercompany Inventory and Land Profits	Ch. 6
	17-23	READING BREAK ( <i>Feb 18-22 – no classes</i> )	
Feb/Mar	24-2	Intercompany Inventory and Land Profits Mid-term Exam (Chapters 1 – 6)	Ch. 6
Mar	3-9	Intercompany Profit in Depreciable Assets	Ch. 7
	10-16	Intercompany Profit in Depreciable Assets Other Consolidation Reporting Issues	Ch. 7 Ch. 9
	17-23	Other Consolidation Reporting Issues Foreign Currency Transactions	Ch. 9 Ch. 10
	24-30	Foreign Currency Transactions	Ch. 10
Mar/Apr	31-6	Translation and Consolidation of the Financial Statements of Foreign Operations	Ch. 11
Apr	7-12	Translation and Consolidation of the Financial Statements of Foreign Operations Accounting for Not-For-Profit Organizations	Ch. 11 Ch. 12
Apr	15-29	FINAL EXAM PERIOD (Final exam covers chapters 7-12)	

## **SKILLS ACROSS THE BUSINESS CURRICULUM**

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The Okanagan School of Business promotes core skills across the curriculum. These skills include reading, written and oral communications, computers, small business, and academic standards of ethics, honesty and integrity.

## **STUDENT CONDUCT AND ACADEMIC HONESTY**

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### **What is the Disruption of Instructional Activities?**

At Okanagan College (OC), disruption of instructional activities includes student “conduct which interferes with examinations, lectures, seminars, tutorials, group meetings, other related activities, and with students using the study facilities of OC”, as well as conduct that leads to property damage, assault, discrimination, harassment and fraud. Penalties for disruption of instructional activities include a range of sanctions from a warning and/or a failing grade on an assignment, examination or course to suspension from OC.

### **What is Cheating?**

“Cheating includes but is not limited to dishonest or attempted dishonest conduct during tests or examinations in which the use is made of books, notes, diagrams or other aids excluding those authorized by the examiner. It includes communicating with others for the purpose of obtaining information, copying from the work of others and purposely exposing or conveying information to other students who are taking the test or examination.”

Students must submit independently written work. Students may not write joint or collaborative assignments with other students unless the instructor approves it in advance as a group/team project. Students who share their work with other students are equally involved in cheating.

### **What is Plagiarism?**

Plagiarism is defined as “the presentation of another person’s work or ideas without proper or complete acknowledgement.” It is the serious academic offence of reproducing someone else’s work, including words, ideas and media, without permission for course credit towards a certificate, diploma, degree and/or professional designation. The defining characteristic is that the work is not yours.

“Intentional plagiarism is the deliberate presentation of another’s work or ideas as one’s own.” Intentional plagiarism can be a copy of material from a journal article, a book chapter, data from the Internet, another student, work submitted for credit in another course or from other sources.

“Unintentional plagiarism is the inadvertent presentation of another’s work or ideas without proper acknowledgement because of poor or inadequate practices. Unintentional plagiarism is a failure of scholarship; intentional plagiarism is an act of deceit.”

### **What are the Students’ Responsibilities to Avoid Plagiarism?**

Students have a responsibility to read the OC Plagiarism Policy and Procedures outlined in the OC calendar, which is available in online format [www.okanagan.bc.ca](http://www.okanagan.bc.ca). Students must acknowledge the sources of information used on all their assignments. This usually involves putting the authors’ name and the year of publication in parentheses after the sentence in which you used the material, then at the end of your paper, writing out the complete references in a Reference section.

“Students are responsible for learning and applying the proper scholarly practices for acknowledging the work and ideas of others. Students who are unsure of what constitutes plagiarism should refer to the UBC publication “*Plagiarism Avoided; Taking Responsibility for your Work*”. This guide is available in OC bookstores and libraries.

Students are expected to understand research and writing techniques and documentation styles. The Okanagan School of Business requires the use of the APA or MLA style, but suggests that students cite references using the APA guidelines (see Publication Manual of the American Psychological Association, 6<sup>th</sup> edition (2009)). A copy of the APA manual is available in the reference section and also available for circulation from OC libraries. The library website has access to these two major citing styles.

### **What are the Penalties for Plagiarism and Cheating?**

The Okanagan School of Business does not tolerate plagiarism or cheating. All professors actively check for plagiarism and cheating and the Okanagan School of Business subscribes to an electronic plagiarism detection service. All incidents of plagiarism or cheating are reported and result in a formal letter of reprimand outlining the nature of the infraction, the evidence and the penalty. The Dean of the Okanagan School of Business and the Registrar record and monitor all instances of plagiarism and cheating. Penalties for plagiarism and cheating reflect the seriousness and circumstances of the offence and the range of penalties includes suspension from OC.