



## Course Outline

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Accounting and Finance  
School of Business & Economics

ACCT 3210 - **3.00** - Academic

Intermediate Financial Accounting 2

## Rationale

Annual update of standard course outlines in SOBE

Course description and requisites changed

## Calendar Description

Building on ACCT 3200: Intermediate Financial Accounting 1, students learn to prepare the current liabilities, long-term liabilities, and shareholders' equity sections of the statement of financial position and the cash flow statement. Topics include current liabilities and contingencies; long-term liabilities; advanced shareholders' equity; complex financial instruments and earnings per share; income taxes; pensions and other employee future benefits; leases; accounting changes and error analysis; statement of cash flows; and other measurement and disclosure issues. Instruction is based on International Financial Reporting Standards.

## Credits/Hours

**Course Has Variable Hours:** No

**Credits:** 3.00

**Lecture Hours:** 3.00

**Seminar Hours:** 0

**Lab Hours:** 0

**Other Hours:** 0

*Clarify:*

**Total Hours:** 3.00

**Delivery Methods:** (Face to Face)

**Impact on Courses/Programs/Departments:** Not applicable

**Repeat Types:** A - Once for credit (default)

**Grading Methods:** (S - Academic, Career Tech, UPrep)

## Educational Objectives/Outcomes

1. Identify the appropriate Canadian GAAP reporting standards under International Financial Reporting Standards (IFRS) and Accounting Standards for Private Enterprises (ASPE) as applicable to reporting or presentation situations and/or issues.
2. Identify and account for current, long-term, and non-financial liabilities.
3. Account for basic and complex equity transactions including issue, reacquisition, and retirement of shares, stock splits and dividend calculation and distribution.
4. Prepare the shareholder's equity section of the statement of financial position.
5. Describe and account for complex financial instruments including derivatives, hybrid/compound instruments, and share-based compensation.
6. Calculate basic and fully diluted earnings per share.
7. Calculate current and deferred income tax and prepare the necessary journal entries and financial statement presentation.
8. Account for operating and finance leases from the perspective of the lessee and the lessor.
9. Identify the components of pension expense and prepare journal entries to account for defined contribution and defined benefit pension plans.
10. Discern among changes in accounting policy, estimates, and errors, calculate the effects on related accounts, and prepare restated comparative financial statements.
11. Prepare and present a statement of financial position.
12. Prepare and present a statement of cash flows using both the direct and indirect methods.
13. Write various financial statement disclosures in compliance with IFRS.

## Prerequisites

ACCT 3200-Intermediate Financial Accounting 1 or equivalent with a minimum C-

## Co-Requisites

## Recommended Requisites

## Exclusion Requisites

ACCT 3211-Intermediate Financial Accounting 2

BBUS 3210-Intermediate Financial Acct 2

BBUS 3211 Intermediate Financial Acct 2

## Texts/Materials

### Textbooks

1. **Required** Kieso, Weygandt, Warfield, Young, Wiecek. *Intermediate Accounting Volum 2*, 10th Canadian ed. Wiley & Sons, 2013

## Student Evaluation

The Course grade is based on the following course evaluations.

**Term tests 30-40%**

**Assignment and quizzes 10-20%**

## **Final exam 40-50%**

**Students must pass the final exam to pass the course.**

# **Course Topics**

## 1. Current Liabilities and Contingencies

- Accounts payable
- Estimated liabilities
- Warranties
- Other estimated liabilities
- Contingencies, commitments, and guarantees
- IFRS and ASPE comparison

## 2. Long-Term Liabilities

- Long-term financial liabilities
- Bonds
- Notes payable
- Presentation of long-term debt
- IFRS and ASPE comparison

## 3. Advanced Shareholders' Equity

- Corporate form
- Share capital
- Retained earnings
- Dividends
- Other components of shareholders' equity
- Presentation and disclosure
- IFRS and ASPE comparison
- Complex financial instruments and earnings per share
- Overview of complex financial instruments
- Types of complex financial instruments
- Overview of earnings per share
- Types of earnings per share
- EPS presentation - Basic and Diluted
- IFRS and ASPE comparison

## 4. Income Taxes

- Income tax fundamentals
- Accounting income and taxable income
- Accounting for income tax-objectives and procedures
- Accounting for income tax expense
- Accounting for income tax loss carryover benefits
- Financial statement presentation

## 5. Pensions and Other Employee Future Benefits

- Accounting for pensions
- IFRS and ASPE comparison

## 6. Leases

- Accounting for leases from a lessee's perspective
- Leases from a lessor's perspective
- Accounting for leases from a lessor's perspective
- Disclosure
- IFRS and ASPE comparison

## 7. Accounting Changes and Error Analysis

- Types of accounting changes
- Changes in accounting policy
- Changes in accounting estimates
- Corrections of errors in prior period financial statements
- IFRS and ASPE comparison

## 8. Statement of Cash Flows

- Cash, cash equivalents, and overdrafts
- Classification of cash flows
- Format of the cash flow statement
- Preparing a cash flow statement
- Disclosure non-cash transactions
- Cash flow tips
- IFRS and ASPE comparison

## 9. Other Measurement and Disclosure Issues

- Full disclosure principle revisited
- Notes to the financial statements
- IFRS and ASPE comparison

# Methods for Prior Learning Assessment and Recognition

As per TRU Policy

## Last Action Taken

Implement by Submission Preview Subcommittee Chair Joanne (Retired) Moores

Current Date: 27-Oct-20