



BUS*6180 Financial and Managerial Accounting Course Outline

Summer 2014
Cohort: 2014
MBA Graduate Program
Department of Business

Instructor Contact

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Course Information

Course Title: Financial and Managerial Accounting
Pre-Requisites: None
Co-Requisites: None
Restriction(s): CME Executive Programs students only
Credits: 0.50
Course Website (If applicable): [OpenOnline - University of Guelph](#)
Method of Delivery: Distance Education, Fully Online

Calendar Description

This course emphasizes the gathering and use of financial information to facilitate effective financial and management decisions. Cases are used to approach the subject from the perspective of the user of accounting information rather than that of the supplier.

Detailed Course Description

The course covers the basic concepts and applications in Financial Accounting, Managerial Accounting and Corporate Finance. An understanding of business finance and accounting is essential for all managers. As part of the management team, all managers need to contribute, towards overall corporate vision, mission and value proposition and exercise their fiscal responsibility towards overall corporate results and governance.

Non-financial managers, as key members of the management team, need to appreciate how an understanding of finance can greatly add value in their roles as organizational strategic partners and decision makers. They are accountable for the planning, execution, evaluation and control of their area of influence towards corporate objectives - Profitability, Sustainability and Growth of an organization.

Course Learning Outcomes

On completing this course, students will be able to:

- Explain the nature of the Financial and Management accounting framework, along with Corporate Finance, and summarize their complementary aspects in organizational decision-making.
- Demonstrate the ability to input and analyze key financial information and their implication - in consultation with financial managers - and add value by integrating strategy, operations and performance.

These objectives are usually attained through an understanding of:

- Overall Corporate Strategy and its financial impact in all functional areas.
- Financial Statements: Income Statement, Balance Sheet, Cash flow - their analysis and interpretations - to improve overall efficiency and effectiveness.
- Product/Service Costing: Behavior and cost estimating within organizational context.
- Cost –volume-profit analysis: Relevance to short-term decisions
- Pricing Strategies – Short and long term decision models based on Product/Service lifecycles
- Budgeting, Planning and Controls for analysis and continuous improvement.
- Decision Making / Capital Expenditure Decisions / Time Value of Money

- Decentralization and Performance Evaluations – application of Balanced Scorecard towards Planning, Control and Corporate Governance.
- Concepts are discussed through problems and mini-cases to arrive at informed business decisions.

About Your Instructor

Welcome to Financial and Managerial Accounting. My name is Jeffrey O'Leary and since you're taking this course online, I thought it was only fair that I tell you a little bit about myself.

Currently I teach at the University of Guelph in the MA (Leadership) program as well as the MBA program and have taught many different courses in Accounting, Strategy & Marketing at other Universities. I work full time at Maple Leaf Consumer Foods in Strategic Analysis and Planning and I work at CPA Canada as a National Exams author and grader. I enjoy sports (baseball) and travelling.

My primary goals for this course are:

- To facilitate your learning of the body of knowledge and skills that will enable you to become a more effective manager.
- To help each of you learn the materials so that you will successfully complete the course and have a strong foundation for the succeeding financial courses in the MBA program

Accounting is the financial language of business. Top managers have a sound understanding of the framework of accounting and are comfortable with its uses. You will be expected to understand the accounting cycle and prepare basic financial statements. You will also understand the basics of managerial accounting through contribution margin format income statements and cost-volume-profit analysis. A fundamental concept of financial analysis is the ability to identify which information is relevant to the issue at hand. Module five is devoted to this aspect of managerial accounting. Most managers have the responsibility of preparing and analyzing budgets which you will learn in module six.

Learning at the graduate level is largely student driven. My role is to facilitate your learning rather than merely convey information to you. You will be expected to be both a teacher and learner with your classmates. I will point you in the direction of information resources, "the fishing rod", rather than simply giving you the answer, "the fish". You are strongly encouraged to discuss material with your classmates prior to contacting me.

The diversity in backgrounds of the students in the class means some will have more knowledge of accounting than others. This course is designed with the objective of building a common basis of understanding of both financial and managerial accounting. It is not intended to provide an in-depth examination of complex accounting and finance issues. For those of you who find that you are familiar with the materials presented and

are interested in exploring complex issues, I would be glad to provide you with additional readings and/or assignments.

Because this is a distance education course, my feedback to you will be in writing. Be assured that when I write a critique in an email or in a returned assignment, my goal will be to constructively help you improve in your work. Comments about specific work and/or comments on how your work is organized and presented are meant to assist you in becoming a more effective communicator of financial information. Good communication skills are essential to success in any management role.

A critical factor for success in this course is to stay on track with the course schedule. The average expected time commitment will be 20 hours per week. You can expect to spend from 15 hours to 25 hours or more depending on your previous accounting knowledge. Some modules are for more than one week so that the time requirement will increase accordingly. As with the other courses in the MBA program, the course schedule is demanding and will require you to establish an efficient work routine quickly.

For those who require additional clarification of materials, I will meet online by appointment at an arranged time as in a virtual office visit. The times and subject matters of these virtual office visits will be posted in advance on the chat section of the course web site to allow other students to take part in the learning experience. This approach is used to facilitate everyone's varying time schedules.

Should you have any questions about the course or about my feedback, do not hesitate to send me an email. I check my emails daily.

I look forward to working with you in this course. Let us all do our very best in this learning experience.

Sincerely

Jeffrey O'Leary, CPA, CMA, MBA

Method of Learning

Because learning in a graduate program is largely student driven, the Instructor's role in this course is as facilitator of student learning rather than as mere lecturer or conveyor of information. The onus for learning is with the student and classmates are expected to help each other learn. To support learning, there is a structured package of course material, and students must demonstrate their proficiency with the material.

The course material has been divided into seven units. Readings, problem solving, and self-study assignments are typical learning activities provided for each unit to facilitate learning of the course material. Through these activities, students are exposed to the material that is relevant to completing the graded assignments.

Individual and group cases as well as online quizzes will be used throughout the course. There are a number of tools throughout to help students with the technical aspects of accounting, including readings, assignment problems, and quizzes.

In general, you should plan to spend from 15 to 25 hours per week on the learning activities for each unit in order to achieve competency. Of course, more or less time may be required, depending on your background and aptitude for the subject matter.

Learning Resources

***Required Textbook(s) (Provided):**

Title: Financial Accounting

Author(s): Kimmel, Weygandt, Kieso, Trenholm, Irvine

Edition / Year: 5th Canadian Edition, 2012

Publisher: John Wiley & Sons Ltd.

ISBN: 978-1-118-02449-2

Title: Managerial Accounting

Author(s): Weygandt, Kimmel, Kieso, Aly

Edition / Year: 2nd Canadian Edition, 2012

Publisher: John Wiley & Sons Ltd.

ISBN: 978-1-118-03389

Text Companion Website and Supplementary Materials:

The companion website at www.wiley.com contains material to support the text. Practice quizzes are available to help you assess your understanding of the course material. The following sites are provided for both text books. The internet links are also given in the Course Resources section of the course web site.

[Financial Text](#)

[Managerial Text](#)

Materials Provided:

*Required textbooks will be shipped to registered students in advance of the course start date. For residential offerings, some materials may be provided to you in-class.

Schedule: Week 1

Unit 01: Introduction to Accounting

Readings and Activities

Readings:

Kimmel, Weygant, Kieso, Trenholm, Irvine (2012) *Financial Accounting* (5th Canadian Edition):

Chapters 1, 2

Activities:

Exercises & Problems

Online Self-study Quiz

Group Case Assignment: Group Contract

Schedule: Week 2

Unit 02: The Accounting Cycle

Readings and Activities

Readings:

Kimmel, Weygant, Kieso, Trenholm, Irvine (2012) *Financial Accounting* (5th Canadian Edition):

Chapter 3

Activities:

Exercises & Problems

Online Self-study Quiz

Online Quiz (5%)

Individual Case Assignment: Forest City Tennis Club Part I (8%)

Schedule: Week 3

Unit 03: Accrual Accounting & Financial Statements

Readings and Activities

Readings:

Kimmel, Weygant, Kieso, Trenholm, Irvine (2012) *Financial Accounting* (5th Canadian Edition):

Chapter 4

Activities:

Exercises & Problems

Online Self-study Quiz

Online Quiz (5%)

Individual Case Assignment: Forest City Tennis Club Part II (17%)

Schedule: Weeks 4 & 5

Unit 04: Cost Behavior & Cost-Volume Profit Relationships

Readings and Activities

Readings:

Weygandt, Kimmel, Kieso, Aly (2013) *Managerial Accounting* (2nd Canadian Edition):

Chapters 1, 2, 6

Activities:

Exercises & Problems

Online Self-study Quiz

Online Quiz (5%)

Group Case Assignment I Foxy Originals (20%)

Schedule: Week 6

Unit 05: Relevant Information & Decision Making

Readings and Activities

Readings:

Weygandt, Kimmel, Kieso, Aly (2012) *Managerial Accounting* (2rd Canadian Edition):

Chapter 7

Reference Notes on Weygandt:

Chapters 8, 9

Activities:

Exercises & Problems

Online Self-study Quiz

Online Quiz (5%)

Schedule: Week 7

Unit 06: Budgeting: The Financial Plan

Readings and Activities

Readings:

Weygandt, Kimmel, Kieso, Aly (2012) *Managerial Accounting* (2rd Canadian Edition):

Chapter 10, 13

Activities:

Exercises & Problems

Online Self-study Quiz

Schedule: Week 8

Unit 07: Measuring and Reporting Performance

Readings and Activities

Readings:

Kimmel, Weygant, Kieso, Trenholm, Irvine (2012) *Financial Accounting* (5th Canadian Edition):

Chapters 13,14

Reference Notes on Kimmel:

Chapters 7, 10

What is the [Balanced Scorecard](#)?

Activities:

Exercises & Problems

Online Self-study Quiz

Group Case Assignment: II Body Benefits

Course Evaluation

Note: There is *no* final examination for this course.

Table 1: Course Evaluation

| *Assignments | Value |
|--|--------------|
| Online Quizzes (5% per Quiz) | 20% |
| Individual Case Assignment Forest City Tennis Club Part I | 8% |
| Individual Case Assignment Forest City Tennis Club Part II | 17% |
| Group Case Assignment I Foxy Originals | 20% |
| Group Case Assignment II Body Benefits | 20% |
| Online Discussions | 15% |
| Total | 100% |

Please refer to the Course Schedule for quiz and assignment due dates.

Online Quizzes (5% per Quiz) (20%)

Online quizzes should be completed after the Learning Activities and after the student feels comfortable with the material. The online quizzes consist of problems and/or cases together with a series of multiple-choice questions. They are open book, done at the convenience of the student, but must be completed by the due date. Once started, the student must complete the questions within the allotted time, which may differ for each online assignment.

In general, students should plan to spend approximately 1 hour on each quiz. In order to complete the quiz within the allotted time, students must be very familiar with the material. Before attempting graded quizzes, students should complete the self-study quizzes that are provided for practice and self-assessment purposes.

It is intended that the individual quizzes are to be just that, individual participation.

The purpose of the quizzes is not only to evaluate you, the individual, but also to allow you to evaluate yourself as to your depth of knowledge of a particular portion of the course. The Instructor will not be policing participation by groups. It is left on the honour system

Individual Case Assignment Forest City Tennis Club Part I (8%)

Read the [Forest City Tennis Club Part I](#) case and refer to the information on Pages one and two to complete the following steps:

1. Prepare journal entries for the cash transactions, using the General Journal template in this [FCTC Excel file](#). For simplicity sake, the journal entries are dated June 30, 2008 even though the transactions occurred throughout the fiscal year. (Hint, there are six cash entries)
2. Name all of the general ledger accounts, permanent accounts first followed by the temporary accounts, using the names from the given Chart of Accounts.
3. Record the journal entries in the General Ledger template in the FCTC Part I Excel file. Be sure to note the assigned General Journal entry number in the appropriate column.
4. Complete the Unadjusted Trial Balance in the Worksheet in the FCTC Part I Excel file.
5. Name and save your Excel file as last name-first name-FCTC-Part I.

Individual Case Assignment Forest City Tennis Club Part II (17%)

Complete the following steps:

1. Part II input forms will include the answer key for the Part I portion of the assignment. Be sure to review the key before starting PART II.
2. Prepare all necessary adjusting journal entries, using the Adjusting Journal template in the FCTC part II Excel files.
3. Record the adjusting journal entries in the Part II General Ledger template in the FCTC Part II Excel file.
4. Complete the Worksheet in the FCTC Part II Excel file.
5. Name and save your excel file as lastname-firstname-FCTC-Worksheet.
6. Submit your worksheet file in the dropbox. Your worksheet will be reviewed and returned within 2 days. Do not move on to the next step until you have received feedback on your worksheet submission.
7. Prepare an Income Statement, Statement of Financial Position, a Statement of Changes in Equity, and a Cash Flow Statement for PPI according to IFRS on the Financial Statements template in the FCTC Excel file.
8. Prepare closing entries, using the General Journal template in the FCTC Part II Excel file.
9. Post any notes to the Financial Statements you may deem necessary, (BE BRIEF!)
10. Name and save your Excel file as lastname-firstname-FCTC-Part II.

Group Case Assignment I Foxy Originals (20%)

Working in your assigned group, please answer the questions that follow regarding this case: Foxy Originals.

Case Questions:

1. Discuss the pros and cons to launching the Foxy brand in the United States.
2. Identify all costs, other than variable costs, for the trade-show distribution strategy. Categorize these costs as investments and fixed costs (per trade show and for fiscal 2005).
3. Identify all costs, other than variable costs, for the sales representatives' distribution strategy.
4. Categorize these costs as investments and fixed costs (per sales representative and for fiscal 2005).
5. Calculate the variable costs per order received at a trade show and the variable costs per order received through a sales representative.
6. For each distribution strategy, calculate the unit contribution and contribution margin rate for each of the two product lines (necklaces and pairs of earrings). What is the weighted average contribution margin for an order at a trade show and an order with a sales representative?
7. Calculate Foxy's breakeven point for each distribution strategy.
8. Which distribution channel will be more profitable in 2005?
9. Choose a distribution strategy (trade shows, sales representatives or both) based on your qualitative and quantitative assessment.

Draw up a brief business plan based on what you have laid out in questions 1-9. How should they proceed? Your response to this question should be included briefly in your executive summary and in detail under your recommendations in the main body of your report.

Group Case Assignment II Body Benefits (20%)

Download the Case Body Benefits

Please answer the following question:

1. What is Body Benefits' current strategy?
2. Does microdermabrasion fit with Body Benefits' strategy?
3. Qualitatively analyse the microdermabrasion opportunity.
4. Prepare a quantitative analysis of the microdermabrasion opportunity by comparing the S.T. Peel microdermabrasion machine to Lames. (30 Marks)
Conduct a sensitivity analysis on the price.
5. As Griffin, what would you do? If the machine is purchased, how should Griffin promote the new service?

Your case response should be submitted in a Microsoft Word document, with margins of 1" and Arial 12 point font. Please refer to the report format provided in the Course outline. A cover page should include all group member names. The Exhibits should be presented in good form in appendices. The total case response, excluding the cover page and appendices, should be no more than 5 pages. The case response should be named groupname-BB.

Online Discussion (15%)

Participation in on-line discussions affords you the opportunity to develop skills in communication, presenting a point of view, listening, and helping your peers learn and learning from them. As well, active participation in discussions allows you to demonstrate application, reflection and critical analysis of the course content as well as contribute to course community learning. Therefore, your participation in this class is integral to the learning experience—both your own and that of your classmates.

Every student is expected to make contributions to online discussions throughout the course duration. Your participation grade will be based on the frequency of your involvement and the quality of your contributions to class learning and discussion on the course website. To stay actively involved in the discussions, I expect students to make a minimum of 5-7 contributions over the course of the semester. Your contribution must be more than commentaries, repetitions, reiterations, and observations, without analysis. Participation also requires more than asking for clarification on course material. The goal is to demonstrate application, reflection and critical analysis of the course content as well as contribute to the course community learning. This means being prepared for each week's topic discussion by having read (and thought about) the assigned material. Students can demonstrate their preparation by asking questions whenever necessary and by integrating the vocabulary and concepts from the readings into their comments. Discussing relevant media material (e.g. newspaper articles and other resources) or personal experiences to integrate the course concepts with practical insights can also be a way of demonstrating engagement in discussions with the course learning community.

The best comments:

- help others feel safe about participating;
- show curiosity and willingness to experiment;
- make or raise issues that are relevant to the current focus of the class;
- offer support for arguments (the more you can substantiate your comments with evidence, the better);
- take into consideration the ideas already offered by others.

Technical Requirements

Students are responsible for ensuring that their computer system meets the necessary [specific technical requirements](#) of their program.

Technical Support

If you need any assistance with the software tools or the website, contact the Open Learning and Educational Support (OpenEd) Help Desk.

Open Learning and Educational Support
University of Guelph
Day Hall, Room 211

Email: help@OpenEd.uoguelph.ca
Tel: 519-824-4120 ext. 56939
Toll-Free (CAN/USA): 1-866-275-1478

Hours of Operations:

Monday - Friday: 8:30am – 8:30pm Eastern Time

Saturday: 10:00am – 4:00pm Eastern Time

Sunday: 12:00pm - Midnight

Policies and Regulations

E-mail Communication

As per university regulations, all students are required to check their <uoguelph.ca> e-mail account regularly: e-mail is the official route of communication between the University and its students.

When You Cannot Meet a Course Requirement

When you find yourself unable to meet an in-course requirement because of illness or compassionate reasons, please advise the course instructor (or designated person, such as a teaching assistant) in writing, with your name, id#, and e-mail contact.

See the Graduate Calendar for information on regulations and procedures for [Academic Consideration](#).

Drop Date

Refer to the Graduate Calendar for the [Schedule of Dates](#).

Copies of Out-of-Class Assignments

Keep paper and/or other reliable back-up copies of all out-of-class assignments: you may be asked to resubmit work at any time.

Accessibility

The University of Guelph is committed to creating a barrier-free environment. Providing services for students is a shared responsibility among students, faculty and administrators. This relationship is based on respect of individual rights, the dignity of the individual and the University community's shared commitment to an open and supportive learning environment. Students requiring service or accommodation, whether due to an identified, ongoing disability or a short-term disability should contact the Centre for Students with Disabilities as soon as possible.

For more information, contact CSD at 519-824-4120 ext. 56208 or email csd@uoguelph.ca or see the [CSD website](#).

Academic Misconduct

The University of Guelph is committed to upholding the highest standards of academic integrity and it is the responsibility of all members of the University community – faculty, staff, and students – to be aware of what constitutes academic misconduct and to do as much as possible to prevent academic offences from occurring. University of Guelph students have the responsibility of abiding by the University's policy on academic misconduct regardless of their location of study; faculty, staff and students have the responsibility of supporting an environment that discourages misconduct. Students need to remain aware that instructors have access to and the right to use electronic and other means of detection.

The [Academic Misconduct Policy](#) is detailed in the Graduate Calendar.

Copyright

All content within this course is copyright protected. Third party copyrighted materials (such as book chapters and articles) have either been licensed for use in this course, or have been copied under an exception or limitation in Canadian Copyright law.

The fair dealing exemption in Canada's Copyright Act permits students to reproduce short excerpts from copyright-protected materials for purposes such as research, education, private study, criticism and review, with proper attribution. Any other copying, communicating, or distribution of any content provided in this course, except as permitted by law, may be an infringement of copyright if done without proper license or the consent of the copyright owner. Examples of infringing uses of copyrighted works would include uploading materials to a commercial third party web site, or making paper or electronic reproductions of all, or a substantial part, of works such as textbooks for commercial purposes.

Students who upload to CourseLink copyrighted materials such as book chapters, journal articles, or materials taken from the Internet, must ensure that they comply with Canadian Copyright law or with the terms of the University's electronic resource licenses.

For more information about students' rights and obligations with respect to copyrighted works, see [Fair Dealing Guidance for Students](#).

Grades

The assignment of grades at the University of Guelph is based on clearly defined standards, which are published in the Graduate Calendar for the benefit of faculty and students.

Grades Schedule

In courses, which comprise a part of the student's program, standings will be reported according to the following schedule of grades:

- A+ 90-100%
- A 85-89
- A- 80-84
- B+ 77-79
- B 73-76
- B- 70-72
- C+ 67-69
- C 65-66
- F 0-64

The minimum passing grade is 65%.

The [Grades Schedule](#) can be referenced in the Graduate Calendar.

Grade Interpretation

The definitions for each of the numerical grade range (letter grades) is as follows:

90-100 (A+) **Outstanding.** The student demonstrated a mastery of the course material at a level of performance exceeding that of most scholarship students and warranting consideration for a graduation award.

80-89 (A- to A) **Very Good to Excellent.** The student demonstrated a very good understanding of the material at a level of performance warranting scholarship consideration.

70-79 (B) **Acceptable to Good.** The student demonstrated an adequate to good understanding of the course material at a level of performance sufficient to complete the program of study.

65-69 (C) **Minimally Acceptable.** The student demonstrated an understanding of the material sufficient to pass the course but at a level of performance lower than expected from continuing graduate students.

0-64 (F) **Fail.** An inadequate performance.

Further information on [Grade Interpretation](#) is outlined in the Graduate Calendar.

Graduate Student Responsibilities

From the choice of Advisor, choice of research project and through to degree completion, graduate students must recognize that they carry the primary responsibility for their success. The responsibilities assigned to Advisors, Advisory Committees and Departments provide the framework within which students can achieve success. Students should take full advantage of the knowledge and advice that the Advisor and Advisory Committee have to offer and make the effort to keep the lines of communication open. The [Graduate Student Responsibilities](#) are located in the Graduate Calendar.

General Regulations

Graduate students are expected to be familiar with the [General Regulations](#) in the [Graduate Calendar](#), including those related to university-wide policies on admission, registration, graduation, theses, fees and other subjects of importance to graduate students.

Plagiarism Detection Software

Students should be aware that faculty have the right to use software to aid in the detection of plagiarism or copying and to examine students orally on submitted work. For students found guilty of academic misconduct, serious penalties, up to and including suspension or expulsion from the University can be imposed.

Recording of Materials

Presentations which are made in relation to course work—including lectures—cannot be recorded or copied without the permission of the presenter, whether the instructor, a classmate or guest lecturer. Material recorded with permission is restricted to use for that course unless further permission is granted.

Religious Holidays

Should a student need to miss scheduled tests, mid-term examinations, final examinations, or requirements to attend classes and participate in laboratories for religious reasons, please advise the instructor within two weeks of the distribution of this course outline so that alternate arrangements can be made.

Acceptable Use

The University of Guelph has an [Acceptable Use Policy](#), which you are expected to adhere to.

Resources

The [Graduate Calendar](#) is the source of information about the University of Guelph's procedures, policies and regulations that apply to graduate programs.