



# **Rotman** Commerce UNIVERSITY OF TORONTO

## **COURSE OUTLINE**

**RSM221H1F**  
**Intermediate Financial Accounting II**  
**Fall 2016**

### **Course Meets:**

<b>Section</b>	<b>Time</b>	<b>Location</b>	<b>Last Name</b>	<b>First Name</b>
L0101	W 1-3	WO 35	Liao	Scott
L0201	W 3-5	WO 35	Liao	Scott
L5301	W 5-7	WO 35	Liao	Scott
L5101	M 5-7	WO 30	Barrette	Catherine

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**Instructor:** Scott Liao (RT540)  
**Email:** [scott.liao@rotman.utoronto.ca](mailto:scott.liao@rotman.utoronto.ca)  
**Course Webpage:** <http://portal.utoronto.ca> (Blackboard)  
**Phone:** 416.946.8599  
**Office Hours:** Tuesdays 10:00am to 12:00pm

## **COURSE SCOPE AND MISSION**

This course expands the analysis of financial accounting beyond RSM220H1. The main topics include income statement and balance sheet topics with an emphasis on the quality of earnings.

## **COURSE PREREQUISITES**

- RSM220H1: Intermediate Financial Accounting I

## **COURSE OBJECTIVES**

The specific objectives of the course are as follows:

- Identify, interpret and analyze appropriate International Financial Reporting Standards (IFRS) and Accounting Standards for Private Enterprises (ASPE) in order to enhance problem solving skills and the development of professional judgment.
- Apply accounting techniques and methods for the topics covered.
- Explain the key differences between IFRS and ASPE for the topics covered.
- Determine how accounting choices affect financial statements and the implications of those accounting choices for assessing the future prospects of the firm.

- Recognize the integration of the material and concepts discussed in the course.

## **COURSE MATERIAL**

### Lecture Slides and Handouts

- Lecture slides will be made available on Blackboard at least one day before lecture. Students should make sure to bring these materials to lecture since the instructor will not provide any hardcopies.
- All other materials discussed in lecture will be made available on Blackboard either before or after lecture as appropriate. Students are reminded to check Blackboard on a regular basis.

### Required Readings

The following textbook will be used for the required readings:

- Intermediate Accounting (Volumes 1 and 2), John Wiley and Sons Canada Limited, 11<sup>th</sup> Canadian Edition by Kieso et al (referred to herein as Kieso). **Previous editions should not be used as there have been significant changes.** You can purchase Volume 1 and 2 together or each volume separately. Alternatively, you can purchase an eBook version from the bookstore (purchased at the cashier where the download code will be found on the receipt). Specific instructions for downloading the required eBook software are included in [Appendix 1](#).
- The CPA Canada Accounting Handbook (previously known as the CICA Handbook and referred to herein as HB) accessible through the Rotman Business Information Centre (BIC) website: <http://www.rotman.utoronto.ca/FacultyAndResearch/BIC.aspx> by selecting Databases by Subject – Accounting – CPA Canada Standards and Guidance Collection.

### Recommended Readings

- Intermediate Accounting: Study Guide to Accompany Intermediate Accounting, John Wiley and Sons, Canada Limited, 11<sup>th</sup> Canadian Edition by Kieso et al (referred to herein as SG). **Note** that the study guides are also available as eBooks as noted above.
  - Due to the technical complexity of some of the material, it is suggested that students take the initiative to work through extra problems in the textbook. In order to assist with this, the SG includes solutions to selected questions, problems and cases from the text. Furthermore, the SG has numerous additional questions and problems that have full solutions and explanations.
- For those students having difficulty with case analysis, the textbook website contains cases including suggested solutions. Students should attempt as many of these cases as required to familiarize themselves with case analysis.

## EVALUATION AND GRADES

Grades are a measure of the performance of a student in individual courses. Each student shall be judged on the basis of how well he or she has command of the course materials. The total allocation of a student's final grade in this course is as follows:

Work	Allocation	Due Date
Participation and Contribution	10%	Ongoing
Quizzes	20%	Ongoing
Midterm Exam (2 hours)	30%	
Final Exam (3 hours)	40%	During the Faculty of Arts & Science (FAS) final examination period
<b>Total</b>	<b>100%</b>	

## METHODS OF EVALUATION

### Overall

It is important that students are thoroughly familiar with the concepts introduced as all exams and assignments will be cumulative and will thus cover material from the beginning of the course to the lecture immediately prior to the exam or assignment due date unless otherwise stated.

### Participation and Contribution

This course will emphasize participatory and collaborative learning. As a result, a significant portion of your mark will be based on your verbal participation and contribution to class discussions. This mark is based on both quantity and quality of your contributions.

To keep track of your participation, at the end of each class, students who participate can acquire a tick on my record book. The participation mark will be based on the number of ticks you acquire and the overall quality of your participation.

### Quizzes

Quizzes will be administered on Blackboard and will be due **before the specified meeting starts**. The quizzes are meant to ensure that students have read and have a basic understanding of the required readings and have completed the required discussion questions **before lecture**. The quizzes will also be used to determine any misinterpretations of the material which will be addressed in future lectures. There are 10 quizzes, out of which the best 8 marks will be used for final grade calculation.

### Midterm Exam

The midterm exam will encompass materials covered in Lectures 1 through 5. The midterm exam will start promptly at the scheduled start time and students are reminded to ensure they

arrive at the exam location in advance (i.e. at least 10 minutes prior to the start time). The exact format of the midterm exam will be announced closer to the exam date. **If you have any conflict with the midterm due to another lecture, tutorial or exam you must notify your instructor about the conflict by the 3<sup>rd</sup> meeting and provide a ROSI printout of your timetable to support the conflict.** This information will be confirmed by the Rotman Commerce Office before a student will be allowed to write during the conflict time.

### Final Exam

The final exam will encompass all materials covered in Lectures 6 through 12. The final exam is 3 hours (180 minutes) in length. The final exam will occur during the Faculty of Arts & Science final exam period. It will start promptly at the scheduled start time and students are reminded to ensure they arrive at the exam location in advance (e.g. at least 10 minutes prior to the start time). Further details regarding the final exam (including its format) will be communicated to students before the final exam period.

## **POLICY AND PROCEDURE**

### Missed Midterm Exams

Students who miss the midterm for reasons entirely beyond their control may submit a request for special consideration. Provided that notification and documentation are provided in a timely manner, and that the request is subsequently approved, no academic penalty will be applied. In such cases, students must notify Rotman Commerce **on the date** of the missed test (or due date in the case of course work) and submit supporting documentation (e.g. [Verification of Student Illness or Injury form](#)) to the Rotman Commerce Program Office within **48 hours** of the originally scheduled test or due date. Students who do not provide Rotman Commerce or the instructor with appropriate or sufficient supporting documentation will be given a grade of 0 (zero) for the missed test or course deliverable. **If a student misses the midterm exam due to a legitimate reason, you will be required to write an essay (15-20 pages) on a topic to be announced.**

**Note that the physician's report must establish that the patient was examined and diagnosed at the time of illness, not after the fact. Rotman Commerce will not accept a statement that merely confirms a report of illness made by the student and documented by the physician.**

### Accessibility Needs

The University of Toronto is committed to accessibility. If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible at either [disability.services@utoronto.ca](mailto:disability.services@utoronto.ca) or <http://www.accessibility.utoronto.ca>.

### Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarships at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the University of Toronto degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

The University of Toronto's Code of Behaviour on Academic Matters (which is available at <http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>) outlines the behaviours that constitute academic misconduct, the process for addressing academic offences, and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments:

- Using someone else's ideas or words without appropriate acknowledgement
- Submitting your own work in more than one course without the permission of the instructor
- Making up sources or facts
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually)

On test and exams:

- Using or possessing any unauthorized aid, including a cell phone
- Looking at someone else's answers
- Misrepresenting your identity
- Submitting an altered test for re-grading

Misrepresentation:

- Falsifying institutional documents or grades
- Falsifying or altering any documentation required by the University, including (but not limited to), medical notes

All suspected cases of academic dishonesty will be investigated by the following procedures outlined in the Code of Behaviour on Academic Matters. If you have any question about what is or not is permitted in the course, please do not hesitate to contact the instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other University of Toronto resources such as College Writing Centres or the Academic Success Centre.

### Email

At times, the course instructor may decide to communicate important course information by email. As such, all UofT students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up AND properly entered on the ROSI system. For more information please visit <http://help.ic.utoronto.ca/category/3/utmail.html>.

**Forwarding your utoronto.ca email to a Hotmail, Gmail, Yahoo or other type of email account is not advisable.** In some cases, messages from utoronto.ca addresses sent to Hotmail, Gmail or Yahoo accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

### Blackboard and the Course Page

The online course page for this course is accessed through Blackboard. To access the course page, go to the UofT Portal login at <https://portal.utoronto.ca/> and log in using your UTORid and password. Once you have logged in, look for the My Courses module where you'll find the link to all your course websites. If you don't see the course listed here but you are properly

registered for the course in ROSI, wait 48 hours. If the course does not appear, go to the Information Commons Help Desk in Robarts Library, 1<sup>st</sup> floor, for help, or explore the Portal Information and Help at [www.portalinfo.utoronto.ca/students](http://www.portalinfo.utoronto.ca/students) and review the Frequently Asked Questions.

## Appendix 1 eBook Instructions

### **Step 1: Install the VitalSource Bookshelf Software**

You will only need to complete this step for your first Wiley E-Text. If you already have the VitalSource Bookshelf, launch it on your computer and proceed to Step 2.

- A. Download the VitalSource Bookshelf: <http://www.vitalsource.com/downloads>
- B. Install Bookshelf using the step-by-step instructions:  
<http://support.vitalsource.com/faqs/gettingstarted/gs-1001>

### **Step 2: Redeem Code and Download the Content**

**If you already have a Bookshelf account:**

- A. Launch Bookshelf on your computer.
- B. Go to the "Account Menu" and select "Redeem Code".
- C. Enter in your redemption code number and press the "Redeem" button.
- D. Your updated booklist will be downloaded to your computer. Once the updated booklist is downloaded, your new eTextbook will begin to download as well.
- E. Once the eTextbook has been downloaded, click on "All Titles" in the collection pane and double click on your book to open it.

**If you do not have a Bookshelf account:**

- A. Launch Bookshelf on your computer.
- B. Click on the "Register for an Account" link.
- C. Fill out the form completely and paste your code into the redemption code field.
- D. Press the register button to create your account and redeem your code.
- E. Your eTextbook will begin to download.
- F. After the book has downloaded, click on "All Titles" in the collection pane and double click on your book to open it.

### **Special Note for Bookshelf for iPhone, iPad, or iPod Touch (iOS 3.2 or Later)**

You must first have a Bookshelf account on your computer (if this not the case, see Step 2 above)

**If you do not have Bookshelf for iOS:**

- A. Download VitalSource Bookshelf from the App Store either through iTunes or through your iOS Device.
- B. Launch Bookshelf for iOS.
- C. Sign in with your Bookshelf account email address and password.
- D. Your booklist will download to your iOS device.
- E. Once your booklist downloads, you can click on your book to download it to your iOS device.
- F. If your book has been downloaded to your computer, you can transfer it to your iOS device through iTunes. Detailed instructions are available here:  
<http://support.vitalsource.com/faqs/bookshelf-touch/ht2011>
- G. Once your book has downloaded to your iOS device, click on it to open it.

**You have Bookshelf for iOS:**

- A. Launch Bookshelf for iOS.
- B. Click on the Refresh icon in the upper-left corner of the screen.
- C. Sign in with your Bookshelf account email address and password.
- D. Your booklist will download to your iOS device.
- E. Once the booklist downloads, click on the book to download it to your iOS device.
- F. If your book has been downloaded to your computer, you can transfer it to your iOS device through iTunes. Detailed instructions are available here:  
<http://support.vitalsource.com/faqs/bookshelf-touch/ht2011>
- G. Once the book has transferred to your iOS device, click on it to open it.

**Bookshelf Online**

To read your book in Bookshelf Online, please do the following:

- A. Go to <http://online.vitalsource.com>
- B. Sign in with your Bookshelf account email address and password.
- C. Click on the name of the title to open the eTextbook.

**Technical Assistance**

For support questions, go to VitalSource Bookshelf Support: <http://support.vitalsource.com>



**Appendix 2**  
**Lecture Schedule**

	<b>LECTURE DATE</b>	<b>LECTURE TOPIC</b>	<b>REQUIRED READINGS</b>	<b>OPTIONAL READINGS</b>	<b>QUIZ</b>	<b>IMPORTANT NOTES</b>
<b>1</b>	Wed Sep 14	Introduction & Revenue Recognition I	Kieso Chapter 6	HB Part I: IAS 18 HB Part II: Section 3400		
<b>2</b>	Wed Sep 21	Revenue Recognition II	Kieso Chapter 6	HB Part I: IAS 11, HB Part II: Section 3400,	Quiz 1	
<b>3</b>	Wed Sep 28	Current Liabilities & Contingencies	Kieso Chapter 13	HB Part I: IAS 1 (paragraph 60 to 69), and 37; IFRIC 13 HB Part II: Sections 1510, 3110, 3280, 3290, and Accounting Guideline 14	Quiz 2	
<b>4</b>	Wed Oct 5	Long-Term Liabilities	Kieso Chapter 14	HB Part I: IAS 1 (paragraph 60 to 69), IAS 32 HB Part II: Section 3856 (paragraph 05 and A3 to A6)	Quiz 3	
<b>5</b>	Wed Oct 12	Long-Term Liabilities & Shareholders' Equity	Kieso Chapter 15, Appendix 15B	HB Part I: IAS 32 HB Part II: Sections 3240 and 3251	Quiz 4	

	LECTURE DATE	LECTURE TOPIC	REQUIRED READINGS	OPTIONAL READINGS	QUIZ	IMPORTANT NOTES
6	Wed Oct 19	Leases I	Kieso Chapter 20	HB Part I: IAS 17 HB Part II: Section 3065	Quiz 5	
7		Midterm Oct 27 (Thursday) 7-9PM at BA1160, 1170				
8	Wed Nov 2	Leases II	Kieso Chapter 20	HB Part I: IAS 17 HB Part II: Section 3065	Quiz 6	
9	Wed Nov 9	Investments I	Kieso Chapter 9	HB Part I: IAS 32 and 39; IFRS 9 HB Part II: Sections 3051 and 3856	Quiz 7	
10	Wed Nov 16	Investments II	Kieso Chapter 12 (Page 711 to 715), Review remainder of Chapter 12 (from RSM 220) Appendix 12A	HB Part I: IAS 27, 28, 36 and 38; IFRS 10 and 12 HB Part II: Section 3051	Quiz 8	
11	Wed Nov 23	Earnings Per Share	Kieso Chapter 17	HB Part I: IAS 33	Quiz 9	

12	Wed Nov 30	Complex Financial Instruments	Kieso Chapter 16 (except for share-based compensation)	HB Part I: IAS 32 and 39, IFRS 9 HB Part II: Section 3856	Quiz 10	
	TBA	<b>FINAL EXAM</b> Date, Time and Location TBA				