

GRANDE PRAIRIE REGIONAL COLLEGE
BUSINESS ADMINISTRATION
COURSE OUTLINE

W.82
1983-84

BA 112 - PRINCIPLES OF ACCOUNTING

- TEXT:** Accounting: The basis for Business Decisions:
Meigs, Meigs and Lam; Third Canadian Edition;
McGraw-Hill Ryerson Ltd.
- WORKING PAPERS:** 2-column and 3-column paper for
classroom and homework use
- PREREQUISITE:** BA 111, Introduction to Accounting
- COURSE DESCRIPTION:** Explores the need and use of accounting data as it relates to partnerships and the corporate structure. Understanding the use of shares and bonds as a means of raising capital. Introduction to ratios and other methods of analyzing financial statements. Preparation of changes in financial position and cash flow. Introduction to department accounting and branch accounting. Introduction to plant and equipment related to determining cost, depreciation methods, implications of use on statements, acquisition and disposal; intangibles; depletion.
- COURSE OBJECTIVES:** Integrate the basic knowledge of BA 112 with prior knowledge and broaden understanding of the accounting field - terminology, methods, trends, etc.
- Develop the ability to apply material in problem solving and decision making.
- Work accurately and neatly, using the mechanical procedures appropriate for recording and reporting.
- Be responsible for completing assignments on time - late assignments will be accepted only if proper arrangements have been made with the instructor prior to the due date.

BA 112 - PRINCIPLES OF ACCOUNTING

GRADING:	60%	Exams - Number of exams determined by students (input into)
	40%	Take-Home Labs, Class Participation, Exercises, Work Habits (student input into)

COURSE CONTENT: Chapter

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| 11 | <p>PLANT AND EQUIPMENT, AND DEPRECIATION</p> <ul style="list-style-type: none"> - cost of plant and equipment - capital and revenue expenditures; extraordinary repairs - allocating cost - methods and implications - accounting problems relating to plant and equipment |
| 12 | <p>PLANT AND EQUIPMENT, NATURAL RESOURCES, AND INTANGIBLES</p> <ul style="list-style-type: none"> - disposal, sale, trade-in - control over - accounting for natural resources - intangible assets - characteristics, amortization |
| 14 | <p>ACCOUNTING PRINCIPLES AND CONCEPTS; EFFECTS OF INFLATION</p> <ul style="list-style-type: none"> - generally accepted accounting principles - accountant's opinion on statements - effects of inflation on financial statements - purchasing power gains or losses |
| 15 | <p>PARTNERSHIPS</p> <ul style="list-style-type: none"> - significant features of; advantages and disadvantages of - partnership contract; admission of new partners - opening accounts of new partnership - dividing profits/losses - closing accounts at year-end |

BA 112 - PRINCIPLES OF ACCOUNTING

- 16 CORPORATIONS: ORGANIZATION AND SHAREHOLDERS' EQUITY
- significant features of; advantages and disadvantages of
 - formation of; authorization and issuance of capital stock
 - types of shares
 - par value, market value, book value of common stock
 - balance sheet presentation
 - subscriptions to shares; dividends
- 17 CORPORATIONS: OPERATIONS, EARNINGS PER SHARE, AND DIVIDENDS
- earnings per share: developing predictive information
 - extraordinary items, prior period adjustments
 - basic and fully diluted
 - regular and special dividends - stock, cash, liquidating; stock splits
 - retained earnings; statement of retained earnings
 - treasury stock
- 18 CORPORATIONS: BONDS PAYABLE, LEASE, AND OTHER LIABILITIES
- issuance of bonds - discount, premium and amortization
 - effect of bond financing on corporation
 - retirement of bonds; conversion of bonds
 - mortgage notes, pension plans, estimated liabilities, contingencies

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- 19 CORPORATIONS: INVESTMENT IN CORPORATE
 SECURITIES
- marketable securities - accounting for
 - gains and losses from sale of
 - balance sheet presentation
 - valuation arguments
 - presentation on financial statements
 - equity method
 - consolidated statements - principles of
 - purchase method and pooling method
- 21 STATEMENT OF CHANGES IN FINANCIAL
 POSITION AND CASH FLOWS STATEMENT
- funds defined; sources and uses
 - effect of transaction
 - preparation of statement
 - cash flow statement - operations
- 22 ANALYSIS AND INTERPRETATION OF
 FINANCIAL STATEMENTS
- sources of financial information
 - standards of comparison
 - objective of financial analysis
 - effect of inflation on
 - ratios