

ACC 7010 (A01/A02/G01/G02) (3.0 CH)
ACCOUNTING FUNDAMENTALS
WINTER 2024

TERRITORY ACKNOWLEDGEMENT

The University of Manitoba campuses are located on original lands of Anishinaabeg, Cree, Oji-Cree, Dakota and Dene peoples, and on the homeland of the Métis Nation. We respect the Treaties that were made on these territories, we acknowledge the harms and mistakes of the past, and we dedicate ourselves to move forward in partnership with Indigenous communities in a spirit of reconciliation and collaboration.

INSTRUCTOR

Name:	Muhammad Kabir	Office Location:	604 Drake
Phone:	204 – 474 - 9636	Office Hours:	Wednesdays, 11:30–1:30 PM or by appointment
Email:	muhammad.kabir@umanitoba.ca	Class Room:	Drake 530
		Class Time:	A01/G01 – Tuesday, 6:15 – 9:30 PM A02/G02-Wednesdays, 2.30-5.45 PM

COURSE DESCRIPTION

This course studies the principles underlying accounting, with an emphasis on the interpretation of accounting information and its usefulness to stakeholders.

In particular, this course focuses on how financial accounting information is used by external stakeholders in making investment and credit decisions.

COURSE OBJECTIVES

On course completion, you should be able to:

- Interpret basic accounting and business concepts and terminology;
- Analyze financial statement information with a view to supporting investment and credit decision-making;

- Show how financial accounting concepts are applied in the preparation of financial statements;
- Identify alternative accounting treatments and demonstrate their effects on financial statements;
- Use financial statement analysis tools to detect signs of misstatement and/or fraud; and
- Prepare basic financial statements.

COURSE MATERIALS

Robinson, Henry, and Broihahn, *International Financial Statement Analysis with WileyPLUS* (4th edition), 2020, Hoboken NJ: Wiley.

The WileyPLUS add-on contains electronic access to Kimmel, Weygandt, Kieso, Trenholm, Irvine and Burnley, *Financial Accounting* (9th Canadian edition), which we will also use in this course.

Please buy this book, either in printed or electronic version, **ONLY** from the UM Bookstore as it will sell a custom version of the book that comes with a registration code for WileyPLUS, an online study and assignment software package. You will need WileyPLUS for course assignments. **DO NOT THROW AWAY ANY INSERTS THAT COME WITH THE BOOK**, as one of them might be your access code.

COURSE ASSESSMENT

Student progress will be assessed through:

Classwork.....	10%
WileyPLUS assignments.....	10%
Financial Statements Preparation (Individual).....	10%
Group Term project (deadline TBA).....	10%
Midterm examination (TBA)	25%
Final examination (date, time, and location to be announced)	35%
Total.....	<u>100%</u>

Classwork

Classwork is designed to help you learn the course materials using the principle of active recall. I will assign one or more problems from the topics covered in a class. You may work alone or collaboratively. Details will be discussed in the introductory class and will be posted on the course website.

WileyPLUS Assignments

WileyPLUS is internet-based educational software which I have used to create assignments for ACC 7010. Six assignments will be available. Each assignment is worth two points, and a maximum of ten points are available. A student can miss one assignment without penalty.

You must achieve a grade of at least 70% by the due date to get full credit (two points) for a particular assignment. A grade greater than zero, but less than 70%, is worth one point. You can do the assignments at any time and can redo them to improve your grade up until the deadline. I encourage

you to do the assignments early and as many times as you find necessary. Keep in mind that *WileyPLUS* is an internet-based program. Problems with WileyPlus, your internet server or your computer are all possible and will not be considered valid reasons for missing a deadline. Deadlines for these assignments will be posted on the course website. Late assignments will not be accepted.

Accessing WileyPLUS

When you first try to access any WileyPLUS material, WileyPLUS will prompt you to either enter a code from the UM bookstore, purchase WileyPLUS standalone access, or use the fourteen-day Grace Period. The Grace Period gives you full access to WileyPLUS and all associated resources, including the Kimmel textbook, content and assignments for fourteen days while you are deciding upon what format you wish to use.

Financial Statement Preparation

This assignment will help you apply the skills to prepare major financial statements from the scratch. You will apply all major steps in an accounting cycle and prepare an income statement, a statement of financial position, and a statement of cash flow. Details including the deadline will be posted on the course website. This is an individual exercise.

Group Project

Students will analyze the annual financial statements of a company with a view to making a recommendation regarding its potential interest to investors (i.e., would you recommend investing in company's shares to a client?). Specifically, the analysis must evaluate the profitability, asset management, solvency and liquidity of the company, compared to that of a comparable company or a group of companies in the similar industry. In addition, you will prepare a proforma income statement and construct a simple valuation metric for investment recommendation. A good analysis will use the ratios discussed in Class 4 (Chapter 6 of the Robinson textbook) and the simple valuation technique as a starting point, but will also include other factors, both quantitative and qualitative, available in the annual report and elsewhere (e.g., financial investment services, the financial press, the internet).

Detailed information will be available on the course website.

Top marks will be awarded for professional-quality projects that are well organized and integrate the results with other available information, with clear introduction and conclusion/recommendation.

Copies of financial statements and complete annual reports of listed Canadian companies are available at www.sedar.com.

Projects must be converted to pdf format and submitted via the Dropbox feature on the course UM Learn website. Late projects will be penalized 20% of the total possible grade for each business day, or part thereof, late.

Students will do the project in groups of three or four. The course instructor will form the groups.

Examinations

The midterm examination (time and location TBA) will test all materials covered in Classes one through five (see Course Schedule on the next page). The final examination will be cumulative. The date and time of the final examination will be determined by the MBA Office later in the term.

Final grades will be assigned as follows (this scheme is tentative – the instructor reserves the right to adjust the grading scale, if necessary):

Cumulative Marks	Grade	GPA	Performance
90-100	A+	4.5	Excellent
80-89	A	4.0	Very Good
75-79	B+	3.5	Good
70-74	B	3.0	Satisfactory
65-69	C+	2.5	Marginal
60-64	C	2.0	Unsatisfactory
50-59	D	1.0	Unsatisfactory
Below 50	F	0.0	Unsatisfactory

NOTE: Class attendance is required. Missing more than 20% of this course due to absence from lectures may result in a failing grade. It is your responsibility to inform your professor, in advance if possible, of your absence and the reason for it:

- 1) if **medical**, self-declaration form must be submitted for an illness lasting 5 consecutive days or less <https://umanitoba.ca/governance/governing-documents-students#self-declaration-for-brief-or-temporary-student-absences>, no later than 48 hours after the end of the brief absence; a medical note from your physician must be submitted for an illness lasting more than 5 days;
- 2) if a **work commitment**, a signed letter on letterhead from your supervisor is required in advance, noting clearly the date(s) you must be away for your work commitment(s);
- 3) if for **student competitions**, an email from your Asper team coach must be received in advance indicating the dates you are away at competition.

The professor will then decide how to deal with the impact of the missed classes on your final grade.

COURSE SCHEDULE (Tentative)

Class	Date	Topic(s)	Readings: Chapter(s) from Robinson (R) and Kimmel (K, in WileyPLUS)#	Suggested exercises		
				Robinson	Supplementary problems (UM Learn)	Kimmel (in WileyPLUS)*
1	Jan 23/24	Introduction, Basic Accounting Concepts, Recording Transactions	R: 1,2 K: 1,2,3	Ch. 1: All Ch. 2: All		E2.1 – E2.5, E2.9, P2.9A, P3.5A, P3.7A, P3.10A, P3.11A
2	Jan 30/31	Accounting Cycle, Balance Sheet	R: 4 K: 2, 4	Ch. 4		E4.1, E4.2, P4.2A, P4.3A, P4.7A, P4.10A, P4.11A

3	Feb 06/07	Income Statement, Statement of Cash Flows	R: 3 (section 6),5 K: 2, 13	Ch. 3: Omit 8-13 Ch. 5: Omit 22	Yes (earnings per share, cash flows)	E13.1, E13.2, E13.3, E13.5, E13.6, E13.8, E13.12, E13.13, P13.1A, P13.10A
4	Feb 13/14	Financial Analysis Techniques	R: 6 K: 14	Ch. 6: All		E14.3 – E14.5, E14.11 – E14.14, CT14.1 – CT14.3
		Winter Term Break: Feb 19-Feb 23				
5	Feb 27/28	Inventories, Long-Lived Assets	R: 7 (omit section 4), 8 K: 6, 9	Ch.7: Omit LIFO questions Ch. 8: All	Yes (long-lived asset impairment)	E6.1, E6.3, E6.4, E6.7, E6.8, E6.11, E6.13, E9.1, E9.3, E9.7, E9.10 – E9.14
Mid-term Exam (Time, Date, and Location to be assigned)						
6	March 5/6	Income Taxes	R: 9	Omit 12-15, 20-22	Yes	
7	March 12/13	Non-Current Liabilities	R: 10 K: 10, Study objectives 10.2 and 10.4	All	Yes (leases)	E10.4, E10.6, E10.7, E10.11 – E10.13, P10.4A, P10.9A
8	March 19/20	Intercorporate Investments	R: 13 (omit 5.5) K: 12 (omit appendix 12A)	Omit 16 - 22	Yes	E12.1 – E12.9, P12.4A, P12.5A, P12.6A
9	March 26/27	Post-Employment and Share-based compensation	R: 14	All	Yes	
10	April 2/3	Financial Reporting Quality/ Auditing	R: 11, 17	Ch. 11: Omit 21 Ch. 17: All		
Classes on April 9/10 are unallocated.						

Chapters in **bold face** are strongly recommended; others are suggested supplementary reading

*BE = Brief Exercises; E = Exercises; P = Problems; CT = Critical Thinking

ACADEMIC REGULATIONS AND STUDENT SERVICES

HUMAN ETHICS APPROVAL FOR DATA COLLECTION

As part of coursework, if you will be collecting data from people who are not students in this class, you must obtain Human Ethics approval from the UofM's Research Ethics Board (REB) prior to data collection. This applies to data collection such as surveys, interviews, focus groups, experiments, video recording, etc., where a respondent is solicited for participation.

If the entire class will be working on the same project, your instructor will apply for human ethics approval from the REB. If individuals or small groups of students will be working on different projects, it is the responsibility of the students to obtain approval (only one group member needs to apply). Your instructor will tell you whether s/he will be or you need to. **When in doubt, please talk to your instructor.**

Instructions and forms to apply for human ethics approval can be found at:
<http://umanitoba.ca/research/orec/ethics/guidelines.html>

In most cases, you will be using the "Protocol Submission Form" which is under the "REB Forms - Fort Garry Campus" heading.

It can take up to six weeks to process human ethics applications and obtain approval. Therefore, plan early. Note that approval must be obtained prior to data collection and cannot be obtained during the data collection phase or retroactively. Violation can get you, your instructor, and the Asper School in serious trouble with the REB.

The following do not require REB approval:

- a) Projects where students are conducting the research on themselves during class time;
- b) Projects involving the use of records or information that is in the public domain, including the use of anonymous secondary data and surveys or questionnaires that have already been published;
- c) Projects involving the use of naturalistic observation where there is no reasonable expectation of privacy (i.e. public park).
- d) Practicum or job training projects where students are fully integrated into the organization's operational practices and are not conducting research;
- e) Projects where the intent is to use the information to provide advice, diagnosis, identification of appropriate interventions or general advice for a client;
- f) Projects where the intent is to develop skills which are standard practice within a profession (e.g. observation, assessment, intervention, evaluation, auditing); or
- g) Projects where the information gathering processes are part of the normal professional relationship between the student and the participants.

If you have any questions, please contact humanethics@umanitoba.ca or your instructor.

UNCLAIMED ASSIGNMENT POLICY

Pursuant to the FIPPA Review Committee's approved recommendations of August 15, 2007, all unclaimed student assignments will become the property of the faculty and will be subject to destruction six months after the completion of any given academic term.

STUDENT SERVICES AND SUPPORTS

The University of Manitoba provides many different services that can enhance learning and provide support for a variety of academic and personal concerns. You are encouraged to visit the below websites to learn more about these services and supports. If you have any questions or concerns, please do not hesitate to contact your instructor or the Graduate Program Office.

For Information on...	...follow this link
Course Outlines, Year-at-a-Glance, Concentrations, Textbooks, VW Dates and Final Exams	Asper Graduate Student Resources
Exam Rescheduling Policy - <i>Please refer to Missing a Test/Exam on page 18 of the MBA Student Handbook</i>	MBA Student Handbook
Help with research needs such as books, journals, sources of data, how to cite, and writing	Library Resources
Tutors, workshops, and resources to help you improve your learning, writing, time management, and test-taking skills	Writing and Learning Support
Support and advocacy for students with disabilities to help them in their academic work and progress	Student Accessibility Services
Copyright-related questions and resources to help you avoid plagiarism or intellectual property violations	Copyright Office
Student discipline bylaws, policies and procedures on academic integrity and misconduct, appeal procedures	Academic Integrity
Policies & procedures with respect to student discipline or misconduct, including academic integrity violations	Student Discipline
Students' rights & responsibilities, policies & procedures, and support services for academic or discipline concerns	Student Advocacy
Your rights and responsibilities as a student, in both academic and non-academic contexts	Your rights and responsibilities
Full range of medical services for any physical or mental health issues	University Health Service
Information on health topics, including physical/mental health, alcohol/substance use harms, and sexual assault	Health and Wellness
Any aspect of mental health, including anxiety, stress, depression, help with relationships or other life concerns, crisis services, and counselling.	Student Counselling Centre
Support services available for help regarding any aspect of student and campus life, especially safety issues	Student Support Case Management
Resources available on campus, for environmental, mental, physical, socio-cultural, and spiritual well-being	Live Well @ UofM
Help with any concerns of harassment, discrimination, or sexual assault	Respectful Work and Learning Environment
Concerns involving violence or threats, protocols for reporting, and how the university addresses them	Violent or Threatening Behavior

ACADEMIC INTEGRITY

I.H. Asper School of Business, The University of Manitoba

It is critical to the reputation of the I. H. Asper School of Business and of our degrees that everyone associated with our faculty behaves with the highest academic integrity. As the faculty that helps create business and government leaders, we have a special obligation to ensure that our ethical standards are beyond reproach. Any misconduct in our academic transactions violates this trust. The University of Manitoba Graduate Calendar addresses the issue of academic misconduct under the heading "Plagiarism and Cheating." Specifically, acts of academic misconduct include, but are not limited to:

- using the exact words of a published or unpublished author without quotation marks and without referencing the source of these words
- duplicating a table, graph or diagram, in whole or in part, without referencing the source
- paraphrasing the conceptual framework, research design, interpretation, or any other ideas of another person, whether written or verbal (e.g., personal communications, ideas from a verbal presentation) without referencing the source
- copying the answers of another student in any test, examination, or take-home assignment
- providing answers to another student in any test, examination, or take-home assignment
- taking any unauthorized materials into an examination or term test (crib notes)
- impersonating another student or allowing another person to impersonate oneself for the purpose of submitting academic work or writing any test or examination
- stealing or mutilating library materials
- accessing tests prior to the time and date of the sitting
- changing name or answer(s) on a test after that test has been graded and returned
- submitting the same paper or portions thereof for more than one assignment, without discussions with the instructors involved.

Many courses in the I. H. Asper School of Business require group projects. Students should be aware that group projects are subject to the same rules regarding academic misconduct. Because of the unique nature of group projects, all group members must exercise extraordinary care to insure that the group project does not violate the policy on Academic Integrity. Should a violation occur on a group project, all group members will be held jointly accountable, no matter what their individual level of involvement in the specific violation.

Some courses, while not requiring group projects, encourage students to work together in groups (or at least do not prohibit it) before submitting individual assignments. Students are encouraged to discuss this issue as it relates to academic integrity with their instructor to avoid violating this policy.

In the I. H. Asper School of Business, all suspected cases of academic misconduct involving a graduate student (i.e. MBA, MFin, MSCM, MSc or PhD student) will be reported directly by the instructor to the Dean of the Faculty of Graduate Studies.

AI TOOLS

AI tools can be used to enhance learning and problem-solving skills, but they should not replace independent thinking and learning. Students must exercise critical thinking when using AI tools and acknowledge their use in academic work. Prohibited uses include generating or completing academic work with AI tools without appropriate

acknowledgement. Academic honesty is paramount, and students should accurately represent their individual effort and knowledge. Faculty will provide guidance on AI tool usage and incorporate discussions on AI ethics and academic integrity. Violations may lead to disciplinary actions, including academic penalties or suspension.

FACULTY BIOGRAPHY

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Muhammad Kabir is an Assistant Professor of Accounting at the Asper School of Business, University of Manitoba. Prior to joining the Asper School, he worked as an Assistant Professor at Lakehead University. Muhammad completed his Ph.D. in Accounting at McMaster University. He also holds an MBA from Emory University, a CFA charter, and a CMA designation. Muhammad's research focuses on financial accounting, corporate governance, and corporate finance. His recent projects explore the links among corporate boards, disclosure, cost of debt, and insider trading profitability. His research has been published in the Journal of Corporate Finance, European Accounting Review, Accounting and Business Research, and Canadian Tax Journal.