



## DEPARTMENT OF BUSINESS AND OFFICE ADMINISTRATION

### COURSE OUTLINE – WINTER 2020

**OA1320 BASIC BOOKKEEPING II A3 – 3 (3-0-0) 45 HOURS, 15 WEEKS  
TUESDAY & THURSDAY 1:00 p.m. – 2:20 p.m. Room A312**

<b>Instructor</b>	Dawn Greig	<b>Phone</b>	780-539-2873
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<b>Office Hours</b>	Mon & Wed 10:00 am – 11:30 a.m. Or anytime by appointment		

#### CALENDAR DESCRIPTION:

This course continues you along your career path as a professional bookkeeper and introduces you to basic bookkeeping principles, procedures and concepts as applied to a merchandising business. Bookkeeping for merchandising activities, cash control concepts and reporting petty cash, sales and receivables, cost of goods sold, inventory, property, plant and equipment, natural resources, intangibles, current liabilities, long-term liabilities and payroll are covered. The course will present accounting principles in a clear and comprehensive classroom and lab format. Realistic and practical applications ensure that the basics of financial bookkeeping are learned, rather than memorized.

**PREREQUISITE(S)/COREQUISITE:** OA1310

#### REQUIRED TEXT/RESOURCE MATERIALS:

*Fundamental Accounting Principles, Sixteenth Canadian Edition,*  
Volume 1, Larson, Dieckmann,  
McGraw-Hill Ryerson. 2019.  
With online CONNECT ACCESS  
and Working Papers to accompany text  
ISBN 978-1-260-3233-2



**Working  
Papers to  
Accompany  
Text**

Or

*Fundamental Accounting Principles ebook.*

**CREDIT/CONTACT HOURS:** 3 Credits / 45 Hours

**DELIVERY MODE(S):**

For each topic there will be classroom lectures and demonstrations. Students will be expected to read chapters before the class, complete the Quick Study questions for that chapter and participate in the lectures through discussion of the concepts. Students are also expected to complete all assignments and projects on time.

**COURSE OBJECTIVE:**

The main objective of this course is to equip the student with a basic understanding of accounting systems and to acquaint them with various aspects of the business world so that they will be better prepared to work in an accounting environment.

**LEARNING OUTCOMES:**

**CHAPTER 5 ACCOUNTING FOR MERCHANDISING ACTIVITIES**

Upon completion of Chapter 5 you will be able to:

- Describe merchandising, and identify and explain the important income statement and balance sheet components for a merchandising company.
- Describe both perpetual and periodic inventory systems.
- Analyze and record transactions for merchandise purchases and sales using a perpetual system.
- Prepare adjustments for a merchandising company.
- Define, prepare, and analyze merchandising income statements.
- Calculate gross margin and markup on inventory.
- Record and compare merchandising transactions using both periodic and perpetual inventory systems.
- Explain and record Provincial Sales Tax (PST) and Goods and Services Tax (GST).

**CHAPTER 6 MERCHANDISE INVENTORY AND COST OF SALES**

Upon completion of Chapter 6 you will be able to:

- Identify the components and costs included in merchandise inventory
- Calculate cost of goods sold and merchandise inventory using specific identification, moving weighted average, FIFO – perpetual cost of sales methods.
- Analyze the effects of the costing methods on financial reporting.
- Calculate the lower of cost and net realizable value of inventory.
- Analyze the effects of inventory errors on current and future financial statements perpetual.
- Apply both the gross profit and retail inventory methods to estimate inventory.
- Assess inventory management using both merchandise turnover and days' sales in inventory.

**CHAPTER 7 INTERNAL CONTROL AND CASH**

Upon completion of Chapter 7 you will be able to:

- Define, explain the purpose of, and identify the principles of internal control.
- Define cash and explain how it is reported.

- Apply internal control to cash.
- Explain and record petty cash fund transactions.
- Explain and identify banking activities and the control features they provide.
- Prepare a bank reconciliation and journalize resulting adjustments.
- Calculate the quick ratio and explain its use as an indicator of a company's liquidity.

## **CHAPTER 8 RECEIVABLES**

Upon completion of Chapter 8 you will be able to:

- Describe accounts receivable and how they occur and are recorded.
- Apply the allowance method to account for uncollectible accounts receivable.
- Estimate uncollectible accounts receivable based on sales and accounts receivable.
- Describe and record a short-term note receivable and calculate its maturity date and interest.
- Explain how receivables can be converted to cash before maturity.
- Calculate accounts receivable turnover and days' sales uncollected to analyze liquidity.

## **CHAPTER 9 PLANT, PROPERTY AND EQUIPMENT AND INTANGIBLES**

Upon completion of Chapter 9, you will be able to:

- Describe property, plant and equipment (PPE) and calculate their cost.
- Explain, record and calculate depreciation using the methods of straight-line, units-of-production, and double-declining-balance.
- Explain and calculate depreciation for partial years.
- Explain and calculate revised depreciation.
- Explain and record impairment losses.
- Account for asset disposal through discarding, selling or exchanging an asset.
- Account for intangible assets and their amortization.

## **APPENDIX I PAYROLL LIABILITIES**

Upon completion of the payroll module you will be able to:

- Identify the taxes and other items frequently withheld from employees' wages.
- Make the calculations necessary to prepare a payroll register and prepare the entries to record and pay payroll liabilities.
- Calculate the payroll costs levied on employers and prepare the entries to record the accrual and payment of these amounts.
- Calculate and record employee fringe benefit costs.

## EVALUTATIONS:

Assignments:	20%
Exercises and Problems assigned, CONNECT and in-class assignments	
Quizzes	10%
Unit One Test	20%
Unit Two Test	20%
Final Exam	30%

Late assignments and missed exams will result in a grade of 0 unless prior arrangements have been made with your instructor.

## GRADING CRITERIA:

Alpha Grade	4-point Equivalent	Percentage Guidelines		Alpha Grade	4-point Equivalent	Percentage Guidelines
A+	4.0	90-100		C+	2.3	67-69
A	4.0	85-89		C	2.0	63-66
A-	3.7	80-84		C-	1.7	60-62
B+	3.3	77-79		D+	1.3	55-59
B	3.0	73-76		D	1.0	50-54
B-	2.7	70-72		F	0.0	00-49

In order to receive credit for Business Administration and Office Administration first year courses, **you must achieve 50 percent on the final examination or final project**, and a course composite grade of at least D (50%).

## **COURSE SCHEDULE/TENTATIVE TIMELINE:**

### **OA1320 A3 BASIC BOOKKEEPING II COURSE SCHEDULE**

You will use the OA1320 A3 Course Site along with your text to complete the following:

#### **Tentative Course Schedule/Timeline:**

<b>Week</b>	<b>Topic</b>	<b>Required Reading</b>
1 - 2	Accounting for Merchandising Activities	Chapter 5
3 - 5	Inventory Costing and Valuation	Chapter 6
6 - 8	Payroll Liabilities	Appendix I
9 – 10	Internal Control and Cash	Chapter 7
11 - 12	Receivables	Chapter 8
13 - 15	Plant, Property and Equipment and Intangibles	Chapter 9

#### **STUDENT RESPONSIBILITIES:**

Refer to <https://www.gprc.ab.ca/about/administration/policies/fetch.php?ID=69>

\*\*Note: all Academic and Administrative policies are available at <https://www.gprc.ab.ca/about/administration/policies/>

#### **STATEMENT ON PLAGIARISM AND CHEATING:**

Refer to the College Policy on Student Misconduct: Plagiarism and Cheating at <https://www.gprc.ab.ca/about/administration/policies/fetch.php?ID=68>

\*\*Note: all Academic and Administrative policies are available at <https://www.gprc.ab.ca/about/administration/policies/>