

Course Outline

Course Code	RSM 321 H1 F
Course Name	Advanced Financial Accounting Topics
Term, Year	Fall 2026
Course Meets	L0101: Tuesday 3:00 PM - 5:00 PM L0201: Thursday 3:00 PM - 5:00 PM Please see Acorn for meeting location T0101: Thursday 7:00 PM – 8:00 PM (Online via Zoom)
Web page URL	https://q.utoronto.ca

Instructor Details

Name	Email	Office Hours
Scott Douglas	scott.douglas@rotman.utoronto.ca	Please see Quercus page.

Course Description

This course will focus on the Canadian accounting treatment of Business Combinations, Income Taxes, Share Based Compensation, Foreign Currency Transactions and Foreign Investments.

Students are expected to develop both an understanding of the concepts underlying these topics and the technical and analytical skills needed to apply the concepts in practice. The case method will be used to supplement problems from the text.

Learning Outcomes

By the end of this course, students will be able to:

- Identify business combinations and prepare consolidated financial statements.
- Calculate current and deferred tax provisions and demonstrate an understanding of the impact of deferred taxes on business combinations.
- Demonstrate an understanding of the accounting for foreign currency transactions, foreign investments and share based compensation.
- Identify the financial accounting issues for complex business cases.
- Determine the alternatives for each issue.
- Analyze the alternatives using appropriate criteria.
- Communicate recommendations or conclusions to the appropriate user.

Course Prerequisites

RSM221H1

Course Materials

Required Readings

1. Textbooks:

Modern Advanced Accounting in Canada, Darrell Herauf, Chima Mbagwu, Kevin Veenstra, 11th Edition (Toronto: McGraw-Hill Ryerson, 2025), with Connect. **You must have Connect Access in order to complete the online homework.** This book will be referred to herein as the “Herauf” textbook. **This is the primary textbook for this course.**

Intermediate Accounting (Volume 2), Kieso, Weygandt, Warfield, Wiley, Wiecek and McConomy, 14th Canadian Edition, John Wiley and Sons Canada Limited, 2025. This book will be referred to herein as the “Kieso” textbook.

2. CPA Handbook: This can be accessed online as follows:

- Go to the following link: <https://www.rotman.utoronto.ca/faculty-and-research/milt-harris-library/>
- Click on “Databases” or scroll down to the database list.
- Click on “CPA Canada Standards and Guidance Collection” and you are forwarded to the CPA Handbook once you log in using your UTORid.

Electronic Course Materials

This course will be using the following electronic course materials:

- CPA Handbook, and
- **CONNECT**. This is the online tool that accompanies the Herauf textbook for this course. Registration and access to Connect is required for this course as the on-line homework will be done by logging into Connect.

There is no charge for the use of the electronic CPA Handbook. The printed Herauf textbook with Connect retails for \$169.95. The printed Herauf textbook alone retails for \$149.95. Connect with E-Book retails for \$99.00. Connect without the E-Book retails for \$65. The use of these materials complies with all University of Toronto policies which govern fees for course materials. Note that students are assumed to already possess a copy of the Kieso textbook from previous courses taken (i.e. RSM221H1 and/or RSM320H1).

Publisher’s website (Herauf) for Connect registration: <https://connect.mheducation.com/class/s-douglas-rsm321-fall-2026>

Evaluation and Grades

Grades are a measure of the knowledge and skills developed by a student within individual courses. Each student will receive a grade on the basis of how well they have command of the course materials, skills and learning objectives of the course.

Work	Percentage of grade	Due Date
Class Participation	10%	Ongoing
Connect Homework	10%	Ongoing
Midterm Test	35%	October 16 (7-9PM)
Final Exam	45%	TBA

Course Format and Expectations

Instructional Approach

A combination of lecture, technical problem solving, case studies and classroom discussion will be used. Students should be highly motivated in learning the subject matter and dedicating adequate time each week to the readings and class/tutorial preparation. Students are expected to be prepared for the class and tutorial and to contribute to class and tutorial discussions. Lecture notes will be available before class on the course website.

Tutorials

The tutorial for this course will be conducted via Zoom and attendance is **mandatory**. You must register separately for the tutorial. A Zoom link will be provided. The tutorial leader will review the highlights of the previous week's lecture and will address a successful approach to the course topics. Historically, students who have attended the tutorial regularly perform better on the term test and final assessment as the tutorial offers students an opportunity to ask questions and seek additional help. Solutions will not be posted. The expectation is for the student to have completed or attempted the assigned questions before attending the tutorial.

See Weekly Schedule (below) for specific dates and questions that will be taken up.

Connect Homework and Class Participation

The homework and case submissions will ensure students keep up-to-date with assigned readings assigned each week. They will also provide feedback on strengths and weaknesses before the term test and final assessment.

Connect Homework

There is a total of 9 homework assignments throughout the term. All assignments are done using the Connect tool, and they are **due on Tuesday's at 12:00pm (i.e. noon)**. There will be no make-up assignments if any assignments are missed. Students must complete the assignments by the due date as indicated on the Weekly Schedule. There is no time limit to these assignments, however only 2 attempts will be given for each. The **best** score of the two attempts will be counted toward your final grade.

Class Participation

Class participation marks will be based on a combination of participation in class and in tutorials, as well as the submission of a reasonable attempt of each assigned case (5 in total).

The cases submissions must be completed individually and will be graded on an effort basis only (reasonable attempt). Please see the Weekly Schedule for the specific due dates and cases that have been assigned. **No emailed or late submissions will be accepted.** A submission folder will be created in Assignments in Quercus for the applicable cases.

Please submit an individual file for each case in MICROSOFT WORD format. Submit each case in the appropriate submission folder as indicated by the case name.

Name your file as follows: FIRST.LAST NAME name of case (for example, MATTHEW HINTON King & Queen).

Please note that any case response submissions must be original work, giving credit to other's work where appropriate.

Students should be prepared to contribute to the class discussion by raising questions and issues on their own initiative and by being able to respond to questions and issues raised by other students and the instructor.

Students are expected to prepare thoroughly and make every effort to attend every class. As class participation is a graded component of the course, students will be evaluated on the following:

- Thoughtful responses
- Understanding and analysis of topic
- Idea generation
- Promoting further discussion
- Respectful active listening
- Attentiveness

While attendance is necessary for students to participate in class discussions, attendance on its own will not result in a high participation grade. Students must actively contribute and participate by exhibiting the components listed above.

Rotman Commerce Attendance Policy

Rotman Commerce students are expected to make every effort to attend each class. Infrequently, students may miss term work, e.g., quizzes, assignments, etc., due to unplanned and extenuating circumstances and must follow the Request for Special Consideration process as outlined in their course outlines. However, Rotman Commerce will not approve any Request for Special Consideration for participation marks for missed classes. Any such request will be denied.

Midterm Test

The term test will take place on **Friday, October 16th from 7:00 p.m. to 9:00 p.m.** The test is 2 hours in length and covers material up to and including Chapter 6. If you cannot attend the test at the above time, you must inform your professor in class by the end of the third class. Also, you must provide details/proof as to why you are unable to attend.

For term test re-mark requests, the student has one week from the time the test papers are returned to submit in writing the request for a re-mark, including a detailed description of what the student thinks was marked incorrectly.

Final Exam

The final assessment is comprehensive covering all material in the course.

Missed Midterm Test and Assignments

Students who miss the midterm test or any assignment for reasons entirely beyond their control (e.g. illness) may request special consideration **within 2 business days** of the missed midterm/test/assignment due date.

In such cases, students must:

1. Complete the Request for Special Consideration form: <https://uoft.me/RSMConsideration>
2. Provide documentation to support the request, eg. Absence Declaration from [ACORN](#), [Verification of Illness Form](#) etc.

Please note: Students may use the Absence Declaration on ACORN ***one time per term*** to report an absence and request consideration. **Any subsequent absence will require a Verification of Illness form or other similar relevant documentation.**

Students who do not submit their requests and documentation within 2 days may receive a grade of 0 (zero) on the missed course deliverable.

In the case of a missed midterm test, a make-up test will not be provided. The weight of the term test (35%) will be added to the weight of the final exam such that the final exam will form 80% of the overall course grade.

Final Exams: If you miss the final exam in this course for a legitimate reason (illness, etc) you will need to contact your College Registrar to file a petition for a deferred exam. This deferred exam will be written at a later date as established by the Faculty of Arts & Science. Instructions can be found here: <https://www.artsci.utoronto.ca/current/faculty-registrar/petitions-appeals/preparing-petition>

Late Assignments

All assignments, quizzes and case submissions are due on the date and at the time specified in Quercus. Late submissions will not be accepted.

Students who, for reasons beyond their control, are unable to submit an assignment by its deadline must obtain approval from the instructor for an extension. Supporting documentation will be required as per the policy on missed tests and assignments.

Statement on Equity, Diversity and Inclusion

The University of Toronto is committed to equity, human rights and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect where all members of our community can express themselves, engage with each other, and respect one another's differences. U of T does not condone discrimination or harassment against any persons or communities.

Commitment to Accessibility

The University is committed to inclusivity and accessibility, and strives to provide support for, and facilitate the accommodation of, individuals with disabilities so that all may share the same level of access to opportunities and activities offered at the University.

If you require accommodations for a temporary or ongoing disability or health concern, or have any accessibility concerns about the course, the classroom or course materials, please [email Accessibility Services](#) or visit the [Accessibility Services website](#) for more information as soon as possible. Obtaining your accommodation letter may take up to several weeks, so get in touch with them as soon as possible. If you have general questions or concerns about the accessibility of this course, you are encouraged to reach out to your instructor, course coordinator, or Accessibility Services.

Plagiarism Detection

Normally, students will be required to submit their course essays to the University's plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the [University's Plagiarism Detection Tool FAQ](#) page from Centre for Teaching Support & Innovation.

Generative AI / ChatGPT

Students may not use artificial intelligence tools for the completion of, or to support the completion of the Final Exam, Midterm Test, Cases Submissions, or Connect Homework. However, these tools may be useful when gathering information from across sources and assimilating it for understanding. This course policy is designed to promote your learning and intellectual development and to help you reach course learning outcomes.

Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarship at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the U of T 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](#) 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 procedures outlined in the [Code of Behaviour on Academic Matters](#). If you have any questions about what is or is not permitted in the course, please do not hesitate to contact the course 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 U of T or RC resources such as the RC Centre for Professional Skills, the 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 U of T 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 ACORN. For more information visit the [Information Commons Help Desk](#).

Forwarding your utoronto.ca email to a Gmail or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Gmail 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.

Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission and may not do so unless permission is granted. Students who have been previously granted permission to record lectures as an accommodation for a disability are excepted. This includes tape recording, filming, photographing PowerPoint slides, Quercus materials, etc.

If permission for recording is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in any way. It is forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

Weekly Schedule

Session	Date	Topic	Readings	Case Submission (Due 9AM day of class)	Connect Homework (Due Noon on Tuesdays)	Tutorial Problems
1	Sept 8/10	Investments in Equity Securities	Chapter 2 (Herauf)			
2	Sept 15/17	Business Combinations	Chapter 3 (Herauf)		HW 1 – Ch 2 – Due Sept 15 at noon	P2-8, P3-15, P3-16
3	Sept 22/24	Consolidation of Non-Wholly Owned Subsidiaries	Chapter 4 (Herauf)	King/Queen (not in text see Quercus)	HW 2 – Ch 3 – Due Sept 22 at noon	P4-9, P4-13, P4-14
4	Sept 29 Oct 1	Consolidation Subsequent to Acquisition Date	Chapter 5 (Herauf)	Case 4-4 (Valero)	HW 3 – Ch 4 – Due Sept 29 at noon	P5-8, P5-9
5	Oct 6/8	Intercompany Inventory and Land Profits	Chapter 6 (Herauf)	Guelph Auto Parts (not in text see Quercus)	HW 4 – Ch 5 – Due Oct 6 at noon	P6-6, P6-12
6	Oct 13/15	Review Session			HW 5 – Ch 6 – Due Oct 13 at noon	
Term Test	Oct 16 7-9PM	(Tentative date, to be confirmed) 2 hours. Covers Chapters 1-6.				
7	Oct 20/22	Intercompany Profits in Depreciable Assets (Excludes Intercompany Bondholdings)	Chapter 7A (LO1-4)			
	Oct 26-30	Reading Week – No Class				
8	Nov 3/5	Income Taxes	Chapter 18 (Kieso)		HW 6 – Ch 7 – Due Nov 3 at noon	P18.6, P18.15
9	Nov 10/12	Deferred Income Taxes in Business Combinations, Joint Arrangements and Share Based Compensation	Chapter 9 (LO2-3) (Herauf) Chapter 16 (16.3) (Kieso)	Case 7-3 (Penston)		P9-8, P9-9
10	Nov 17/19	Foreign Currency Transactions	Chapter 10		HW 7 – Ch 9 – Due Nov 17 at noon	P10-8 (Part A, B only), P10-16 (Part A,C only)

11	Nov 24/26	Translation and Consolidation of Foreign Operations	Chapter 11	Case 11-2 (Nova)	HW 8 – Ch 10 – Due Nov 24 at noon	P11-1, P11-3
12	Dec 1/3	Accounting for Not-For-Profit and Public Sector, Review of past Final Exam (see Quercus)	Chapter 12		HW 9 – Ch 11 – Due Dec 1 at noon	
Final Exam		Details to follow				

Please note that the last day you can drop this course without academic penalty is November 17, 2026.

Other Useful Links

- [Become a volunteer note taker](#)
- [Accessibility Services Note Taking Support](#)
- [Credit / No-Credit in RSM courses](#)
- [Rotman Commerce Academic Support](#)
- [Where to find teaching assistant opportunities](#)

URL links for print

- ACORN: <http://www.acorn.utoronto.ca/>
- Email Accessibility Services: accessibility.services@utoronto.ca
- Accessibility Services website: <http://studentlife.utoronto.ca/as>
- University's Plagiarism Detection Tool FAQ: <https://uoft.me/pdt-faq>
- The University of Toronto's Code of Behaviour on Academic Matters: <http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>
- Information Commons Help Desk: <http://help.ic.utoronto.ca/category/3/utmail.html>
- Become a volunteer note taker: <https://studentlife.utoronto.ca/program/volunteer-note-taking/>
- Accessibility Services Note Taking Support: <https://studentlife.utoronto.ca/service/note-taking-support/>
- Credit / No-Credit in RSM courses: <https://rotmancommerce.utoronto.ca/current-students/degree-requirements/credit-no-credit-option/>
- Rotman Commerce Academic Support: <https://rotmancommerce.utoronto.ca/current-students/academic-support/>
- Book an appointment with a writing or presentation coach: <http://uoft.me/writingcentres>
- Writing and Presentation Coaching academic support page: <https://rotmancommerce.utoronto.ca/current-students/academic-support/writing-and-presentation-coaching/>
- Centre for Professional Skills Teamwork Resources page: <https://rotmancommerce.utoronto.ca/teamwork-resources>
- Book an appointment with a Teamwork Mentor: <http://uoft.me/writingcentres>