

# LINCOLN UNIVERSITY

Course number:	<b>BA-42</b>
Course title:	<b>Financial Accounting</b>
Credits:	<b>4 (60 Lecture Hours)</b>
Pre-requisites:	<b>None</b>
Period:	<b>Spring 2013</b>
Room:	<b>TBA</b>
Days and time:	<b>Thursday 12:30 pm to 3:15 pm 3:30 pm to 5:20 pm</b>
Instructor:	<b>Milton M. Chávez Arias (<a href="mailto:mchavezarias@lincolnucsf.edu">mchavezarias@lincolnucsf.edu</a>)</b>
Office Hours:	<b>Every Thursday, 5:30 up to 7:00 pm (previous arrangement required)</b> If the student is not able to attend the office hours, please, use e-mail to communicate with the instructor (Subject line: <u>BA42, student's name, and brief reference to your question</u> ). If there are critical matters to be addressed, I will assist students before or after each class.

## SYLLABUS

### A COURSE DESCRIPTION

Introduction to basic accounting theory and procedures of an accounting system: Balance Sheet (assets, liabilities, owners' equity), Income Statement, Statement of Owners' Equity, and the Cash Flow Statement. The emphasis in this first course is in procedure, but knowledge of the ruling principles will also be a requirement.

### B COURSE OBJECTIVES AND STUDENT LEARNING OUTCOMES

The purpose of this course is to provide a comprehensive introduction of the guidelines for financial accounting and reporting, accounting principles, and accounting and business terminology. The course will introduce the accounting framework; nature and purpose of generally accepted accounting principles; rules of debits and credits and use of the accounting equation; rules to identify, classify, and record transactions and economic events and measure their effect on the financial statements; as well as differences between cash basis and accrual basis accounting. The course will also set the guidelines for you to prepare, report, and analyze financial statements (balance sheet, income statement, and statement of retained earnings) and supplementary financial information needed for decision-making purposes, as well as to evaluate the effectiveness of internal control policies and risk management procedures.

The student must be able to:

- 1 Explain the nature and purpose of generally accepted accounting principles.
- 2 Explain and apply the components of the conceptual framework for financial accounting and reporting, including the qualitative characteristics of accounting information, the assumptions underlying accounting, the basic principles of financial accounting, and the accounting information constraints and limitations.

- 3 Apply transaction analysis, input transactions into the accounting system, process this input, and prepare and interpret the four basic financial statements.
- 4 Distinguish between cash basis and accrual basis accounting and their impact on the financial statements, including the matching principle.
- 5 Identify and illustrate how the principles of internal controls are used to manage and control the company's resources and minimize risks.
- 6 Explain the content, form, and purpose of the basic financial statements (including footnotes) and the annual report, and how they satisfy the information needs of investors, and other users.
- 7 Explain the nature of current asset issues including measuring and reporting receivables and bad debts, measuring and reporting inventory and cost of goods sold.
- 8 Explain the valuation and reporting of current liabilities, estimated liabilities, and other contingencies.
- 9 Identify and illustrate issues relating to long-term asset investments, acquisition, use, depreciation, and disposal.
- 10 Identify and illustrate issues relating to stockholders' equity including issuance, and dividends.
- 11 Identify the ethical implications inherent to financial reporting and apply strategies to address them.

### C TEXTBOOK AND OTHER MATERIALS

**Textbook: Introduction to Financial Accounting, 10th Edition**

Authors: Horngren, Sundem, Elliot, and Philbrick

Editor: Pearson Prentice Hall (imprint of Pearson Education Inc.)

ISBN-10: 0136122973, ISBN-13: 9780136122975, Publication date: July 27, 2010

**Website:** \_\_\_\_\_

(An access code is required to have access to gnomio.com)

Students will be provided an access code no later than the first day of classes. Students will be required to take the online exams (questions and exercises) for each chapter.

Online Exams on gnomio.com are mandatory and will count toward your final grade.

### D GRADING

		<b>EQUIVALENCY TO LETTER GRADES</b>		
		<b><u>Grade</u></b>	<b><u>Points</u></b>	<b><u>Percentage</u></b>
<u>Activity</u>	<u>Possible Points</u>			
Exam - Online Questions (12 @ 10 points each)	120	A	911 - 1000	91.1% - 100%
Exam - In class (12 @ 33.33 points each)	400	B	811 - 910	81.1% - 91.0%
Group-Individual Problem (12 @ 10 points each)	120	C	711 - 810	71.1% - 81.0%
Homework (12 @ 30 points each)	360	D	601 - 710	60.1% - 71.0%
<u>Total</u>	<b><u>1000</u></b>	F	Less than 601	Below 60.1%

### E MATERIALS

Students will need: A basic calculator, a black pencil, and a red pen.

***No cell phones are allowed as calculators (no exceptions).***

## F METHODS OF INSTRUCTION

### 1 Lecture

**Students must read each chapter before class** starts according to the tentative schedule provided (see Attachment 1). The lecture will focus on the chapter core information. Students are responsible to ask questions and request clarifications during the class session. Students are expected to participate actively in all class discussions and exercises.

### 2 Homework

Students are expected to **complete** each homework assignment **before class begins**. Each homework assignment **must be turned in at the end of the class session when due** according to the **tentative schedule** provided, see Attachment 1.

Homework includes a combination of exercises/problems from the textbook. Students are encouraged to correct their assignments while in class. If a student is frequently found copying the answers from the board, his/her specific homework will be voided.

The homework grade will be based on completeness, professional appearance and detail of corrections made in class. **Late submission penalty: 30% (no exceptions).**

### 3 Group-Individual Problem (Case Analysis)

Students are expected to **complete** each Group-Individual assignment **before class begins**. Each assignment **must be turned in at the beginning of the class session when due** according to the **tentative schedule** provided, see Attachment 1.

### 4 Exams

**Online Questions:** There will be one online exam (Questions) for each Chapter. The online exams will be available after the lecture and are due no later than the beginning of the next session. The online exams will provide sample questions that might be included on the Exam In-class.

**In-class:** There will be an exam (Questions) for each Chapter (30 minutes limit). The exams will be given at the beginning of each session. A minimum of 60% of the exam questions will be selected from the Online Questions.

*If the student is unable to attend a specific class session, the student will be allowed to take the exam on the next session, after class. This exception does not represent a waiver to frequently skip the class sessions.*

### 5 Extra Credit

Students will be selected to participate in classes in order to earn extra credit points. The extra credit points will represent no more than 10% of the final grade. There will be no make-up for the extra points lost.

## G STANDARDS OF STUDENT CONDUCT AND DISCIPLINE

**Simple rules of courtesy apply.** Class time and environment are reserved for students. All communication and electronic devices should be turned off or silent in the classroom (cell phones, music devices, etc). Students are expected to act in a rational and professional manner.

## H ATTENDANCE/WITHDRAWAL

***Students who fail to attend two (2) continuous class sessions and/or have accumulated absences equivalent to three (3) class sessions will be reported to Admissions & Records. Given the quantity of material and the short number of class sessions, only students with a clear intention to continue the class will be re-admitted (clear intention means completing all the assignments past due before requesting re-admittance).*** It is the responsibility of the student to withdraw from a class which he/she no longer plans to attend. Refer to the University policies for further details.

## I ACADEMIC DISHONESTY AND ITS CONSEQUENCES

Students are responsible for knowing what constitutes academic dishonesty and for consulting with the instructors for questions or concerns. The Policy on Academic Dishonesty is available online at <http://www.lincolnuca.edu/academics/indirespons#%2Facademics%2Findirespons>.

## ATTACHMENT 1 COURSE CONTENT AND SCHEDULE (TENTATIVE)

Date	Activity	Assignment for the next session
01/24/13	Introduction to the course (Syllabus)  Lecture and discussion Chapter 1: Accounting – The Language of Business	d. Read Chapter 1
01/31/13	Lecture and discussion Chapter 1: Accounting – The Language of Business	a. Exam (Online Questions): Chapter 1 b. Homework: 1-29, 1-32, 1-34, 1-41 c. Group-Individual Problem 1-52 d. Read Chapter 2
02/07/13	Homework Review Chapter 1 & Exam In-class  Lecture and discussion Chapter 2: Measuring Income to Access Performance	a. Exam (Online Questions): Chapter 2 b. Homework: 2-43, 2-48, 2-49, 2-54 c. Group-Individual Problem 2-65, 2-66 d. Read Chapter 3
02/14/13	Homework review Chapter 2 & Exam In-class  Lecture and Discussion Chapter 3: Recording Transactions	a. Exam (Online Questions): Chapter 3 b. Homework: 3-37, 3-38, 3-42, 3-48 c. Group-Individual Problem 3-55 d. Read Chapter 4
02/21/13	Homework review Chapter 3 & Exam In-class  Lecture and discussion Chapter 4: Accrual Accounting and Financial Statements	a. Exam (Online Questions): Chapter 4 b. Homework: 4-42, 4-43, 4-48, 4-50, 4-54 c. Group-Individual Problem 4-59 d. Read Chapter 6

<b>Date</b>	<b>Activity</b>	<b>Assignment for the next session</b>
02/28/13	Homework review Chapter 4 & Exam In-class  Lecture and discussion Chapter 6: Accounting for Sales	a. Exam (Online Questions): Chapter 6 b. Homework: 6-45, 6-49, 6-62, 6-65, 6-71 c. Group-Individual Problem 6-90 d. Read Chapter 7
03/07/13	Homework review Chapter 6 & Exam In-class  Lecture and discussion Chapter 7: Inventories and Cost of Goods Sold	a. Exam (Online Questions): Chapter 7 b. Homework: 7-48, 7-51, 7-56, 7-59 c. Group-Individual Problem 7-90 d. Read Chapter 8
03/14/13	Homework review Chapter 7 & Exam In-class  Lecture and discussion Chapter 8: Long-Lived Assets	a. Exam (Online Questions): Chapter 7 b. Homework: 8-42, 8-47, 8-48, 8-54, 8-58 c. Group-Individual Problem 8-78
03/21/13	SPRING RECESS	
03/28/13	Homework review Chapter 8 & Exam In-class	d. Read Chapter 9
04/04/13	Lecture and discussion Chapter 9: Liabilities and Interest	a. Exam (Online Questions): Chapter 7 b. Homework: 9-47, 9-58, 9-60, 9-61, 9-63 c. Group-Individual Problem 9-90, 9-91
04/11/13	Homework review Chapter 9 & Exam In-class	d. Read Chapter 10
04/18/13	Lecture and discussion Chapter 10: Stockholders' Equity	a. Exam (Online Questions): Chapter 10 b. Homework: 10-40, 10-41, 10-42, 10-46, 10-54 c. Group-Individual Problem 10-76 d. Read Chapter 5
04/25/13	Homework review Chapter 10 & Exam In-class  Lecture and discussion Chapter 5: Statement of Cash Flows	a. Exam (Online Questions): Chapter 5 b. Homework: 5-37, 5-38, 5-42, 5-50, 5-61, 5-62 c. Group-Individual Problem 5-73 d. Read Chapter 12
05/02/13	Homework review Chapter 5 & Exam In-class  Lecture and discussion Chapter 12: Financial Statement Analysis	a. Exam (Online Questions): Chapter 12 b. Homework: 12-31, 12-32, 12-43, 12-44 c. Group-Individual Problem 12-67
05/09/13	Homework review Chapter 12 & Exam In-class	