University of Pennsylvania
The Wharton School
Intermediate Financial Accounting — ACCT 201

Instructor
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Office hours
Tuesday 10 - 12 a.m. or by appointment

Course website
http://accounting.wharton.upenn.edu/acct201/

Course objectives
This course revisits topics covered in Introductory Financial Accounting (Accounting 101) related to the general presentation of the financial statements and to the accounting practices for assets. Some sections of the course examine the application of a concept you have already learned to a transaction you have not yet seen. Other sections introduce a new concept about the financial statements, in general, or about particular assets.

Understanding the concepts/rules related to financial statement preparation is obviously important if you are going to be a corporate accountant or auditor. Improving your *preparation* principles will also enhance your *interpretation* skills and make you a more sophisticated reader of financial statements.

Course materials
Textbook: *Intermediate Accounting* by Donald E. Kieso, Jerry J. Weygandt, and Terry D. Warfield (John Wiley & Sons, Inc., 2008, twelfth edition, *with or without* the FASB update). The textbook is required and is available at the bookstore. Solutions to Kieso, Weygandt, and Warfield problems are available on the course website.

Class notes, homework assignments, and additional reading material: Will be made available on the course website. Class notes will generally be available 2-3 days before the class.

Grading
Your course grade will be determined as follows:

Homework (4)	20%
Midterm exam	30%
Final exam	40%
Final project – BABbLe	10%

Assignments/Exams:

The syllabus specifies topics to be covered in each class session. You should complete the assigned reading and problems before class. The problems will help you gauge your understanding of the material. You should do the assigned problems, but they will not be graded.

Homework: Your homework grade is the sum of your percentage scores on the four required homework assignments. The homework assignments are due at the beginning of class on the date noted on the syllabus. Please bring an extra copy of your solution to class for discussion. You do not have to type the homework assignments. However, to get credit for an assignment, we must be able to decipher your solution.

For the homework assignments, you may work in groups of no more than three students. Groups are not permitted to share information with other groups prior to the due date of the assignments. *Please note the following:* Relying on the work of your groupmates is not advisable as a learning technique. Relying on the work of other groups is not only unadvisable, but is also unethical.

The BABbLe project will be described as the due date nears. It is a computer-based "game" in which you will act as a corporate controller and prepare financial statements. BABbLe is a group project. You may work in groups of no more than three students.

Exams: The exams are not cumulative. The exams are closed-book, but you will be allowed one note sheet. You must get my authorization to be excused from an exam prior to the exam (or as soon after the exam as possible in the case of an unexpected medical emergency). An unauthorized absence from an exam will result in a grade of zero for the exam. The make-up exam date for *both* exams is the make-up date that the University schedules for final exams. It typically occurs in the first week of classes in January 2009.

THE FINAL EXAM IS: **DECEMBER 11, 2008 (THURSDAY)**
                                          6-8 pm

Regrade requests: To request a regrade on an assignment or exam, please submit the original assignment or exam (without modification) and a description of your disagreement with the grading. All regrade requests must be made within one calendar week following the return of the assignment or exam. I reserve the right to review the entire assignment or exam.

Accounting 201
Topic and Assignment Schedule
Fall 2008

Date	Day	Topic	Kieso et al. reading	Other preparation	Graded HW due
9/3	W	Introduction	Ch. 1, 2	E2-7, E2-8	
9/8	M	Review/concepts[i]	Ch. 3	BE3-9, E3-7, E3-18, P3-9, Chemalite case[ii] (to be discussed in class)	
9/10	W	The financial statements: Income statement	Ch. 4	Q4-4, E4-6, E4-12, E4-14, P4-3	
9/15	M	The financial statements: Balance sheet	Ch. 5, p. 169-190; Ch. 24, (including App 24B; *not* App 24A)	Q5-7, Q5-8, E5-11, CA5-4, BE24-3, E24-2, P24-2, C24-4	
9/17	W	The financial statements: Statement of cash flows	Ch. 5, 190-199, Ch. 23	E5-17, E23-11, E23-15, E5-18, P5-7, C5-6	HW 1: Accrual accounting
9/22	M	Statement of cash flows, continued			
9/24	W	Statement of cash flows, continued			
9/29	M	Inventory	Ch. 8, 367-379; Ch. 9, 421-429	E8-1, E8-3, E9-1, E9-21, P9-2	
10/1	W	Inventory	Ch. 8, 379-399; Ch. 9, 429-445	E8-16, E8-21, E8-25, P8-1, P8-7, BE9-5, BE9-6, E9-10	
10/6	M	Cash and receivables	Ch. 7, p. 313-326; p. 337-345	E7-2, E7-9, E7-20, P7-3	HW 2: Inventory
10/8	W	Notes receivable, factoring	Ch. 7, p. 326-337	BE7-6, BE7-7, E7-16, E7-17, E7-18	
10/13	M	No class-fall break			

[i] The material in Chapter 3 should be a review of Accounting 101. The concepts and mechanical procedures in these chapters form the foundation for the rest of the course. Do not fall behind. If you are struggling with this material, try the following additional problems: BE3-1, E3-1, E3-5, P3-1, P3-5, and P3-6.
[ii] Chemalite, Inc. is a copyrighted Harvard case. It will be distributed in class on Sept 3.

Date	Day	Topic	Kieso et al. reading	Other preparation	Graded HW due
10/15	W	Notes receivable, factoring, continued		SFAS140/156 examples on website (will be discussed in class)	
10/20	M	Exam 1 (in class)			
10/22	W	Fair value measurement	Pages UP1-UP5 in the Kieso, FASB update edition	SFAS 157 examples on website (will be discussed in class)	
10/27	M	Marketable securities	Ch. 17, 837-850, 853-859	E17-3, E17-4, E17-6, E17-9	
10/29	W	Marketable securities, continued		E17-10, P17-9, P17-10, P17-12	
11/3	M	Accounting changes and errors	Ch. 22	E22-2, E22-8, E22-12, P22-1	HW 3: Mktble securities
11/5	W	Long-lived assets: Self-constructed assets and depreciation	Ch. 10, p. 474-481; Ch. 11, p. 521-534, 537-547, App. 11A	E10-8, E11-2, E11-5, E11-23, P10-7	
11/10	M	Long-lived assets: Acquisitions and dispositions, including exchanges; impairments	Ch. 10, Ch. 11, p. 534-537	E10-2, E10-24, P10-10, E11-18	
11/12	W	Revenue recognition (Miscellaneous/ SAB 101)	Ch. 18, 905-911	Examples on website discussed in class; Q18-2, BE18-1, C18-5	
11/17	M	Revenue recognition (Long term contracting)	Ch. 18, 912-930	E18-5, E18-8, P18-4, P18-6	HW 4: Exchanges
11/19	W	Finish L-T contracting; start intangibles	Ch. 12, including Appendix 12A	E12-4, E12-11, E12-17, P12-5; FAS 142 examples on website to be discussed in class	
11/24	M	Intangible assets			
11/26	W	Happy T-Day No class			
12/1	M	Equity investments/VIEs	Ch. 17, 850-853; Appx 17B	E17-11, E17-12, E17-17, C17-5	
12/3	W	Capstone: BABbLe			BABbLe due

FINAL EXAM: **DECEMBER 11, 2008 (THURSDAY)**
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