

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

**Instructor**

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**Office hours**

Tuesday 3 - 5 p.m. or by appointment

**Course objectives**

This course covers the general presentation of the financial statements and the accounting practices for assets. The concepts/rules are taught at a level that will allow you to *prepare* financial statements. I recognize, however, that most of you do not intend to be financial statement preparers. You want to be sophisticated financial statement users that can extract relevant information from financial statements to be used in a variety of decisions, including equity valuation. Hence, an objective of the course is to make you a sophisticated *user* of the financial statements. Learning the preparation techniques is a means to this end. In addition, we will spend a good portion of the class time working out how to extract information from financial statements that have been prepared by a firm.

**Course materials**

Textbook: *Intermediate Accounting* by Donald E. Kieso, Jerry J. Weygandt, and Terry D. Warfield (John Wiley & Sons, Inc., 2011, 14th edition). This is the same edition as last year. The textbook is required and is available at the bookstore. You can purchase the book in any format (ebook, soft cover, hard cover, etc.). You do not need to purchase any supplemental materials such as study guides or solution manuals. The solutions to Kieso, Weygandt, and Warfield problems will be available on Canvas.

Class notes, homework assignments, additional reading material, and old exams will be available on Canvas. Class notes, including power point slides, will generally be available 2-3 days before the class.

Non-Wharton students may obtain a Wharton class account for access to Canvas. If you have been enrolled in a section of this course for at least one day, you can apply for a Wharton class account online at:

<http://accounts.wharton.upenn.edu>

The account should work within approximately 20 minutes. If you encounter difficulty using the online application form or gaining access to Canvas, visit Wharton Computing's office, F35 Jon M. Huntsman Hall, or call that office at 215-898-8600 (have your PennCard handy).

## Grading

Your course grade will be determined as follows:

Case	8%
Midterm exam	40%
Final exam	52%

## Assignments/Exams:

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

Case: The case is due on **NOVEMBER 6** as noted on the syllabus. The case is due at **9 am**, regardless of your scheduled class time. The material in the case serves a review of several topics that we covered in class. We will discuss the case in class on the due date. The case write-up must be typed; supporting computations can be in an excel spreadsheet.

You may work in groups of no more than three students. Groups are not permitted to share information with other groups. *Please note the following*: Relying on the work of your group members is not advisable as a learning technique. Relying on the work of other groups is not only inadvisable, but it is also unethical.

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 date that the University schedules for make-ups of final exams. For fall semester classes, the make-up exam date is typically scheduled in the first week of classes in the following winter semester (i.e., January 2013).

**THE FINAL EXAM IS:           DECEMBER 12, 2012 (WEDNESDAY)**  
**3-5 pm**

Regrade requests: To request a regrade on the case or an 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.

The final is at the same time as the MGMT 101 exam. We will work out an alternative time for you to take the ACCT 201 exam on the same day (likely 12:30-2:30). Please notify me as soon as possible if you are also enrolled in MGMT 101.

## Accounting 201

### Topic and Assignment Schedule

### Fall 2012

<b>Date</b>	<b>Day</b>	<b>Topic</b>	<b>Kieso et al. reading</b>	<b>Other preparation</b>
9/6	Th	Introduction	Ch. 1, 2	E2-5, E2-9
9/11	T	Review/concepts <sup>i</sup>	Ch. 3	BE3-9, E3-7, E3-11, P3-9, Pathfinder GPS case (see Canvas)
9/13	Th	The financial statements: Income statement	Ch. 4	Q4-4, BE4-4, E4-12, E4-14, P4-3
9/18	T	The financial statements: Balance sheet <sup>ii</sup>	Ch. 5, p. 212-227; p. 236-246; Ch. 24 (exclude APP 24A)	Q5-7, Q5-8, E5-7, E5-11, BE24-3, E24-2, P24-2, CA24-4
9/20	Th	The financial statements: Statement of cash flows	Ch. 5, p. 227-235, Ch. 23	E5-14, E23-11, E23-15, E5-18, P5-7, P23-9
9/25	T	Statement of cash flows, continued		
9/27	Th	Statement of cash flows, summary		
10/2	T	Cash and receivables	Ch. 7, p. 364-378; p. 391-395; APP 7B	E7-2, E7-7, E7-8, P7-3
10/4	Th	Notes receivable, factoring	Ch. 7, p. 378-391	BE7-6, BE7-7, E7-16, E7-17
10/9	T	Notes receivable, factoring, continued		Securitization examples in classnotes
10/11	Th	Accounting changes and errors	Ch. 22	E22-2, E22-7, E22-12, P22-1
10/16	T	Exam 1 (in class)		
10/18	Th	Inventory	Ch. 8	E8-1, E8-16, E8-25, P8-7, FSA Case 1 (TJ Intl)
10/23	T	No class-fall break		
10/25	Th	Inventory cont'd./ Purchase commitments	Ch. 9, p. 492-501; p. 503-505	E9-1, E9-10, P9-2

<sup>i</sup> 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.

<sup>ii</sup> Rosh Hashanah. Class on September 18 will be videotaped.

<b>Date</b>	<b>Day</b>	<b>Topic</b>	<b>Kieso et al. reading</b>	<b>Other preparation</b>
10/30	T	Long-lived assets: Acquisitions, self-constructed assets, and depreciation	Ch. 10	E10-2, E10-8, E11-5, E11-23, P10-7
11/1	Th	Long-lived assets: Dispositions, exchanges, impairments	Ch. 11 APP 11A	E10-20, E10-24, P10-10, E11-18
11/6	T	Discuss case; start intangibles	Ch. 12 APP 12A	Case due E12-4, E12-9, E12-13, E12-14, E12-17, P12-5
11/8	Th	Intangible assets, continued		Intangibles examples in classnotes
11/13	T	Marketable securities	Ch. 17, p. 974-988; p. 991-1000	E17-3, E17-4, E17-6, E17-9
11/15	Th	Marketable securities, continued		E17-10, P17-9, P17-10, P17-12
11/20	T	Equity method investments/VIEs	Ch. 17, 988-991; APP 17B	E17-11, E17-12, E17-17, C17-5
11/22	Th	Happy T-Day! No class		
11/27	T	Revenue recognition (Point of sale)	Ch. 18, p. 1064-1080	Examples in classnotes; BE18-3, BE18-6, E18-4, E18-5, E18-10
11/29	Th	Long term contracting	Ch. 18, p. 1081-1105	E18-12, P18-6, P18-7
12/4	T	Finish LT Contracting (if necessary), IFRS; Earnings quality		IFRS case (see Canvas)
12/6	Th	Fair value measurement	p. 58-59; p. 238-239; APP 17C	Fair value examples in classnotes