

The University of Pennsylvania—  
The Wharton School -- Department of Accounting  
Introduction to Financial Accounting, ACCT 101  
2<sup>nd</sup> Summer Session, 2013  
Professor Barry Grove (BG)  
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Class Schedule: MTWR 1 to 2:35 PM  
Office hours: Wed 2:45 to 3:45 for BG

**Introduction:** In this course you will become accounting-literate. You will learn to read and interpret the information in an Annual Report. While accounting mechanics (debits, credits, T accounts) will be taught and will be used by me to write accounting information on the board, the emphasis of this course is on understanding where accounting numbers come from and what is the implication of choosing (legally) one accounting method over another. There is almost no number on a financial statement that does not involve some estimate or decision about which accounting principles to employ. You will learn to examine critically accounting information. The laws of physics may be immutable. The laws of accounting are not.

**TextBook:** Stickney, Clyde P. and Weil, Roman L. Financial Accounting, An Introduction to Concepts, Methods, and Uses (Cengage/Thompson/South-Western: 14<sup>th</sup> edition, 2012). The Textbook is required and available at the Penn Bookstore. At times, during the course, I may make certain materials (e.g., solutions to textbook problems) available on-line.

**Class Website:** To access the Canvas system, go to the Canvas website and choose ACCT, Summer 2013, Accounting 101.

**Classroom Environment:** I expect that students will be prepared for class. I suggest the following routine:

Before class, read the assigned pages of the textbook. Try the assigned problems to test your understanding of the material. Read the assigned material. Try to answer the questions prior to coming to class. You might find it helpful to try the suggested problems before class. If time permits, the suggested problems will occasionally be discussed in class. After class, complete the suggested problems which you were unable to complete prior to class, and identify gaps in your understanding. If necessary, you should attempt additional questions and problems. I encourage you to work in groups. I also expect that you will treat this course as a professional engagement. Display courteous behavior to your classmates.

Follow the Code of Academic Integrity. On behalf of the majority of the students who make an honest effort in this class, I will take action against anyone suspected of breaching this Code.

### **Exams and Grading:**

There are two in class exams for this course.

Midterm 07/24/2013 (tentative date) Final Exam 08/08/2013 (last day of class)

Exams will be similar to recommended textbook problems and sample questions given out in class (or located on canvas).

**Homework:** Although formal homework will not be graded, I strongly recommend that you work through all suggested problems in the textbook and sample problems handed out in class or provided on canvas, in order to prepare for the exams.

**Grading:** The course grades will be assigned using the following weights: Midterm exam 40%, Final exam 60%. Students taking the class pass/fail must achieve a grade of "D" or higher to get a "Pass".

Grades will be assigned across the sections **approximately** as follows: 40% As, 40% Bs, 20% C or below (**This means that the possibility of getting an — “F” in the course is NOT excluded.**) Any questions about grades, grading curves, etc. should be **addressed to me** via my e-mail.

**Exam Conflicts:** Since all exams are in class during the regularly scheduled class time, there should be no exam conflicts.

You can make arrangements **ONLY in the following two cases:**

(1) If you need additional time on an exam because of a university-recognized disability, the Instructor needs to be informed **directly by the Office of Student Disability Services, at least two weeks prior to the first exam.** I will make whatever accommodations are recommended by them.

(2) If you have other extraordinary reasons which prevent you from taking an exam, contact **me** as soon as you know about the conflict **but at least 24 hours prior to the exam.** If your conflict arises within 24 hours of a scheduled exam, contact me as soon as you learn of the conflict. **But I must be informed prior to the exam. Only I can grant permission to be excused from a scheduled exam.** The teaching assistant cannot grant such permission.

**If a student misses the mid-term exam with a valid excuse and permission:**

There are no make-up exams for the mid-term exam. The portion of his/her course grade will be shifted to the final exam. That is, if a student misses the mid-term exam with a valid excuse AND the instructor's permission, the weight on his/her final exam will be 100%.

**If a student misses the final exam with a valid excuse and permission:**

He/she will be required to take a make-up exam. A student will receive a grade of “incomplete” for the semester. After the student takes the make-up exam, I will change the incomplete to the earned course grade.

Finally, I will arrive at class a few minutes early to meet with you and to answer any questions you may have about the accounting text, my lectures, and the recommended problems. After years of teaching, I can only pass on to you **in advance**, the conclusions of previous students **after** they have taken the course. Keep up with the work and **do accounting with a pencil in your hand.** Good luck and enjoy the journey.

**COURSE OUTLINE**

<b>Session #</b>	<b>Date</b>	<b>Topics/Readings</b>		<b>Suggested Problems</b>
SESSION 1	07/01/2013	Introduction	Chapter 1	Ch 1: 21, 25, 27, 34, 35, 39
SESSION 2	07/02/2013	Overview of Financial Statements	Chapter 1	Ch 1: 21, 25, 27, 34, 35, 39
SESSION 3	07/03/2013	Accounting Mechanics/Process	Chapter 2, Chapter 3	Ch 2: 6, 10, 11 Ch 3: 10, 21, 26
<b>07/04/2013</b>		<b>July 4<sup>th</sup> (No Class)</b>		
SESSION 4	07/08/2013	Balance Sheet - Concepts	Chapter 4	Ch 4: 14, 15, 20, 22, 23, 25
SESSION 5	07/09/2013	Balance Sheet/Income Statement	Chapter 4 Chapter 5	Ch 4: 14, 15, 20, 22, 23, 25
SESSION 6	07/10/2013	Income Statement/Accounting Cycle	Chapter 5	Ch 5: 11, 12, 13, 16, 17
SESSION 7	07/11/2013	Cash Flow Statement	Chapter 6	Ch 6 : 22 (calculate CFO), 34a, 39
SESSION 8	07/15/2013	Statement of Cash Flows/Financial Analysis	Chapter 6	Ch 6: 22 (calculate CFO), 34a, 39
SESSION 9	07/16/2013	Financial Analysis	Chapter 7	Ch 7: 11, 15, 18
SESSION 10	07/17/2013	Revenue Recognition, Sales, A/R	Chapter 8	Ch 8: 22, 23, 27, 34, 37
SESSION 11	07/18/2013	Cash and Receivables/Inventory	Chapter 8 Chapter 9	Ch 8: 22, 23, 27, 34, 37
SESSION 12	07/22/2013	Inventory	Chapter 9	Ch 9: 15, 16, 26, 27, 28
SESSION 13	07/23/2013	Review	(in class)	Sample exam problems
SESSION 14	07/24/2013	Midterm Exam	(in class)	
SESSION 15	07/25/2013	Long Lived Assets	Chapter 10	Ch 10: 13, 17, 20, 21, 23, 26

SESSION 16	07/29/2013	Long Lived Assets/Liabilities and Bonds	Chapter 10 Chapter 11	Ch 10: 13, 17, 20, 21, 23, 26
SESSION 17	07/30/2013	Liabilities and Bonds	Chapter 11	Ch 11: 16, 18, 19, 20
SESSION 18	07/31/2013	Leases and Off the Balance Sheet Financing	Chapter 11	Ch 11: 25, 28
SESSION 19	08/01/2013	Leases/Shareholder's Equity	Chapter 11 Chapter 15	Ch 11: 25, 28 Ch 15: 14, 16, 18, 22, 24
SESSION 20	08/05/2013	Shareholder's Equity	Chapter 15	Ch 15: 14, 16, 18, 22, 24
SESSION 21	08/06/2013	Intercompany Investments	Chapter 14	Ch 15, 17, 18, 20
SESSION 22	08/07/2013	Review Session	(In class)	Sample Exam Problems
SESSION 23	08/08/2013	Final Exam (cumulative)	(In class)	

**Note: The student is only responsible for the GAAP rules of accounting, not the IFRS (International Standards).** Please also note that the student should practice textbook problems beyond the suggested problems listed above, and should look at class handouts, sample exam problems, the textbook and any notes to prepare for the exams as well. Finally, the above schedule is subject to change, if circumstances dictate such a change.