

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

Instructor

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Office hours

Monday 3 - 5 p.m. or by appointment

Course objectives

Accounting 201 covers the general presentation of the financial statements and the accounting practices for assets. The concepts/rules are taught in enough detail so that you can *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* who can extract relevant information from financial statements for making a variety of decisions, including equity valuation. Learning the preparation techniques is an important step in learning to be a sophisticated user. 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, 15th edition). This is a new edition. 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:

Homework assignments	10% (5% each)
Midterm exam	40%
Final exam	50%

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.

Homework assignments: The homework assignments are due on **October 7** and **November 20** as noted on the syllabus. They ask questions about material that will have already been covered in class. The assignments are due at **10:30 am**, regardless of your scheduled class time. The assignments 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 unadvisable, 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 2014).

THE FINAL EXAM IS: DECEMBER 19, 2013 (THURSDAY)
3-5 pm

Regrade requests: To request a regrade on homework assignments 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 ACCT 201 final is at the same time as the MGMT 101 final 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 2013

Date	Day	Topic	Kieso et al. reading	Other preparation
8/28	W	Introduction	Ch. 1, 2	E2-5, E2-9
9/4	W	Review/concepts ⁱ	Ch. 3	BE3-9, E3-7, E3-11, P3-9, Pathfinder case (see Canvas)
9/9	M	The financial statements: Income statement	Ch. 4	Q4-4, BE4-4, E4-13, E4-15, P4-3
9/11	W	Income statement, contd; Earnings quality		CA4-3, CA4-4
9/16	M	The financial statements: Balance sheet	Ch. 5, p. 212-227; Ch. 5 App 5A Ch. 24 App 24A	Q5-7, Q5-8, E5-11, BE24-8, E24-5
9/18	W	Full disclosure	Ch. 5, p. 236-245 Ch. 24	BE24-3, E24-2, BE24-5, BE24-6, BE24-7, P24-2, CA24-4
9/23	M	The financial statements: Statement of cash flows	Ch. 5, p. 228-236, Ch. 23	E5-14, P5-6, E23-11, E23-14, E5-18, P23-9
9/25	W	SCF, continued		
9/30	M	Statement of cash flows, summary		HW #1: Due Monday October 7
10/2	W	Cash and accounts receivable	Ch. 7, p. 344-358; p. 372-376	E7-2, E7-7, E7-8, P7-3, P7-6
10/7	M	Notes receivable, factoring	Ch. 7, p. 378-391 APP 7B	BE7-6, BE7-7, E7-16, E7-17, P7-15; HW #1 due by 10:30 a.m.
10/9	W	Notes receivable, factoring, continued		Securitization examples in classnotes
10/14	M	Exam 1 (in class)		
10/16	W	Accounting changes and errors	Ch. 22	E22-2, E22-7, E22-12, P22-1
10/21	M	Inventory	Ch. 8	E8-1, E8-16, E8-25, P8-7
10/23	W	Inventory cont'd./ Purchase commitments	Ch. 9, p. 472-481; p. 483-485 (Purchase comms.)	E9-1, E9-10, P9-2

ⁱ Rosh Hashanah begins at sundown on September 4. The September 4 class will be videotaped. The material covered on that date (Kieso-Weygandt Chapter 3) is a review of the bookkeeping essentials covered in 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.

Date	Day	Topic	Kieso et al. reading	Other preparation
10/28	M	Long-lived assets: Acquisitions, self-constructed assets, and depreciation	Ch. 10	E10-2, E10-8, E11-5, E11-23, P10-7
10/30	W	Long-lived assets: Dispositions, exchanges, impairments	Ch. 11 APP 11A	E10-20, E10-24, P10-10, E11-18
11/4	M	Intangible assets	Ch. 12	E12-4, E12-9, E12-13, E12-14, E12-17, P12-5
11/6	W	Intangible assets, continued		Intangibles examples in classnotes
11/11	M	Guest Speaker	Details TBA	
11/13	W	Revenue recognition (Point of sale)	Ch. 18: p. 1040-1056	Examples in classnotes; BE18-3, BE18-6, E18-4, E18-5, E18-10 HW #2: Due Wednesday November 20
11/18	M	Long term contracting	Ch. 18: p. 1057-end	E18-12, P18-6, P18-7
11/20	W	Fair value measurement	p. 56-58; p. 238-239; APP 17C	Fair value examples in classnotes; HW #2 due by 10:30 a.m.
11/25	M	Finish fair value measurement (if necessary), IFRS		IFRS case (see Canvas)
11/27	W	Happy T-Day! No class ⁱⁱ		
12/2	M	Marketable securities	Ch. 17, p. 950-964; p. 967-977	E17-3, E17-4, E17-6, E17-9
12/4	W	Marketable securities, continued		E17-10, P17-9, P17-10, P17-12
12/9	M	Equity method investments/VIEs	Ch. 17, 964-967; APP 17B	E17-11, E17-12, E17-17, C17-4

ⁱⁱ Thursday-Friday class schedule meets on Tuesday-Wednesday.