

University of Pennsylvania  
The Wharton School  
Department of Accounting  
**Introduction to Financial Accounting — ACCT 101**  
Spring 2015

Professor: Xi Li  
1314 Steinberg-Dietrich Hall

Course e-mail: [accounting101@wharton.upenn.edu](mailto:accounting101@wharton.upenn.edu)

Teaching Assistants:

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Please contact the teaching assistants for course content related questions only. Any questions regarding course registration, quiz scheduling, or course withdrawals should be mailed to the above “course email.” Instructors will NOT respond to course emails sent to their personal email accounts.

Teaching Assistant Office Hours/Location: To be posted

Professor Office Hours/Location: Tuesday 2-4pm, 1314 Steinberg-Dietrich Hall

Course objectives: The objective of the course is to learn to read, understand, and analyze financial statements. The course is intended for students with no previous exposure to financial accounting. The course adopts a decision-maker perspective of accounting by emphasizing the relation between accounting data and the underlying economic events that generated them. The course focuses initially on how to record economic events in the accounting records (i.e., bookkeeping and accrual accounting) and how to prepare and interpret the primary financial statements that summarize a firm's economic transactions (i.e., the balance sheet, the income statement, and the statement of cash flows).

Course handouts: Class notes, cases, homework assignments, and solutions to the cases and problems will be available on Canvas.

Textbook: Pearson publishing has put together a custom package for this course. The package consists of several documents compressed into one package: (1) *Introduction to Financial*

*Accounting* by Horngren, Sundem, Elliott and Philbrick (10<sup>th</sup> edition), (2) Wharton Accounting 101 Supplemental Material and Solutions Manual (10<sup>th</sup> edition); (1) is standalone textbook and can be purchased separately from the package. Several copies of the custom package are on reserve at Lippincott Library.

Role of Textbook and Lectures Notes: The textbook covers the basic material in the course. The lectures will cover the more important and difficult material as well as some additional material not covered in the textbook. The class schedule at the end of the syllabus provides the page numbers that correspond to the material we will cover in class. Suggested problems from the textbook will be posted on Canvas. These problems will be covered in recitation. The suggested readings and problems are for those that want additional clarification or practice. The textbook is used as a supplement for lecture notes, not as a substitute. Homework and quizzes will be based **exclusively** on material covered in the lecture notes. Lecture notes (PowerPoint slides) will be posted prior to class to the website. The lecture notes briefly summarize the material in the lectures. Bear in mind that the lectures often contain problems which summarize the material in a way different from the textbook and assessments will be based on material and methods taught in lecture notes not the textbook.

Class Website: To access the course website, go to <https://canvas.upenn.edu> and choose ACCT 101 - Spring 2015. **All homework will be submitted via the Canvas system.** Various course materials, including lecture notes and quiz and homework solutions, will be distributed exclusively through Canvas. **Make sure you have access to this website.** Each enrolled Penn student can use their PennKey username and password for access.

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

- Before class, read the lecture notes posted on Canvas.
- Take notes in class. After class download and review the lecture notes.
- If you are having difficulty, read the specified pages of the textbook and work through the end of chapter problems and solutions to supplement your understanding of the material.
- If you are still having difficulty, attend the Friday recitation sessions led by the teaching assistants. During these sessions, the TAs will review suggested problems from the textbook.

I also expect that you will treat this course as a professional engagement.

- I highly encourage you to attend class. It is the easiest way to stay on top of the material.
- Please be on time and remain throughout the class meeting.
- Cell phones silenced during class time and office hour visits.
- Display courteous behavior to your classmates. Please do not ask me to make exceptions to course policies that would be unfair to other students in the course.
- Follow the Code of Academic Integrity. Failing the class is the minimum penalty for cheating on a quiz/exam.

Quizzes and Final Exam: There are two quizzes and one final exam for this course.

<b>First Quiz</b>	<b>Monday, February 23, 2015 (In-Class)</b>
<b>Second Quiz</b>	<b>Wednesday, April 1, 2015 (In-Class)</b>
<b>Final Exam</b>	<b>Monday, May 4, 2015 (6pm-8pm)</b>

Practice quizzes/exams and their solutions will be posted on Canvas for your reference. The content of the questions on the practice quiz/exam may differ from the content of actual quiz/exam. Before each quiz/exam, I will announce the topics for which you are responsible. The graded quizzes will be distributed during TA recitation/office hours. The graded final exam will be available from the accounting department at the beginning of the next term. Your quiz/exam grade will be posted on Canvas. If you need additional time on a quiz/exam because of a university-recognized disability, I must be informed **directly by the Office of Student Disability Services**. I will make whatever accommodations are recommended by them.

Homework: There will be four homework assignments which will be handed in during the semester. The actual homework assignments will be posted on Canvas and announced in class. Homework assignments can be completed as part of a group but all homework must be submitted individually. The submission process is done **electronically** via Canvas, and homeworks **must be submitted by 9 a.m. on the due date**. Because these homework assignments will be graded electronically, it is important that you submit the answers in the form indicated by the question. In particular, make sure that you submit the answers in the denomination requested (e.g., thousands of dollars or millions of dollars, etc.) and in the precision requested (e.g., rounded to the nearest third decimal, etc.). **I strongly encourage you to submit your homework answers well in advance of the 9 a.m. deadline. Late submissions, multiple submissions, and hard-copies are not accepted.** The scores from your homework will be available electronically. Directions for submitting homework will be distributed via Canvas.

Homework Due Dates: Refer to Course Outline below.

Grading: The course grades will be assigned using the following weights:

Homework	10%
First quiz	20%
Second quiz	30%
Final exam	40%

Each homework assignment will be assigned the same weight for grading purposes. Students taking the class pass/fail must achieve a grade of "D" or higher to get a "Pass". **There is no possibility of changing the above weights.** Any questions about grades, grading curves, etc. should be addressed to your professor via the course e-mail

Quiz/Exam Regrades: If you believe your quiz/exam is incorrectly graded, submit a Regrade Request Form, available on Canvas, to your professor (not your teaching assistant) within **ten days** of the graded quiz/exam being made available.

Quiz/Exam Scheduling Conflicts: Only your professor can grant permission to be excused from a scheduled exam because of a scheduling conflict or illness. Teaching assistants cannot grant such permission.

To obtain permission to be excused from a scheduled quiz/exam because of a scheduling conflict, students must provide documented evidence of the conflict. **Notify me via the course e-mail two weeks in advance** of the conflicted quiz/exam date. In your email, include your complete class and exam schedule for the day of the quiz/exam. **Only scheduling conflicts with other courses or university representation will be considered. Internship, interviews, family vacation, or other travel plans are not acceptable scheduling conflicts.** In those cases of an acceptable quiz/exam conflict, arrangements will be made for you to take the exam at an alternate time. Note that if such an arrangement has been made and you fail to attend the quiz/exam at the arranged time, you will receive a grade of zero for the exam. If your schedule changes such that you no longer have a “conflict” with the regularly scheduled quiz/exam, you should notify your instructor by e-mail as soon as possible.

To obtain permission to be excused from a scheduled quiz/exam because of illness, students must provide documented evidence of the illness. A note documenting a visit to health services is **not** a sufficient excuse for missing an exam. Minor illnesses, including upper respiratory infections (i.e., colds), or fatigue, are examples of unacceptable reasons for missing a quiz/exam. Illness during the time that a student had intended to study for a quiz/exam is not an excuse for missing a scheduled quiz/exam. **Students with illnesses who wish to be excused must consult the Dean’s office;** it, in turn, will provide documentation of the illness to all of the student’s professors.

A student who has permission to miss a quiz/exam due to illness will receive a grade of “incomplete” for the semester and will be required to take a make-up exam on the University’s officially scheduled make-up exam date **next semester**. After the student takes the make-up, I will change the incomplete to the earned course grade. If a student fails to show up for the make-up exam, he/she will receive a grade of zero for the exam.

**Students who miss a quiz without making arrangements with me according to the above guidelines will receive a zero on the respective quiz. Missing the final exam without making the appropriate arrangements will result in a failing grade for the course.**

## Course Schedule

“CH” refers to chapters and pages in the textbook

	DATE	TOPICS	READINGS
LECTURE 1	Wed. 1/14	Introduction	CH 1
	<b>Mon. 1/19</b>	<b>MLK Day – No Class</b>	
LECTURE 2	Wed. 1/21	Overview of Financial Statements	CH 1 CH 2 CH 5
LECTURE 3	Mon. 1/26	Accounting Process and Transaction Analysis	CH 3
LECTURE 4	Wed. 1/28	Accounting Process and Transaction Analysis (cont'd)	CH 3
LECTURE 5	Mon. 2/2	Revenue Recognition Accrual Accounting	CH 2: p. 47, 52 CH 4 CH 6: p. 232, 233
LECTURE 6	Wed. 2/4	Accrual Accounting (cont'd)	CH 4
LECTURE 7	Mon. 2/09	Accrual Accounting (cont'd)	CH 4
LECTURE 8	Wed. 2/11	Statement of Cash Flows <b>Homework #1 due (by 9am)</b>	CH 5
LECTURE 9	Mon. 2/16	Statement of Cash Flows (cont'd)	CH 5
	<b>Wed. 2/18</b>	<b>In Class Review for Quiz #1</b>	
	<b>Mon. 2/23</b>	<b>Quiz #1</b>	
LECTURE 10	Wed. 2/25	Accounting for Sales and Accounts Receivables	CH 6
LECTURE 11	Mon. 3/2	Accounting for Sales and Accounts Receivables (cont'd)	CH 6
LECTURE 12	Wed. 3/4	Inventories and Cost of Goods Sold	CH 7
	Mon. 3/9	<b>Spring Break – No Class</b>	
	Wed. 3/11	<b>Spring Break – No Class</b>	
LECTURE 13	Mon. 3/16	Inventories and Cost of Goods Sold (cont'd)	CH 7
LECTURE 14	Wed. 3/18	Long-Lived Assets <b>Homework #2 Due (by 9am)</b>	CH 8
LECTURE 15	Mon. 3/23	Long-Lived Assets (cont'd)	CH 8
LECTURE 16	Wed. 3/25	Long-Lived Assets (cont'd)	CH 8
	<b>Mon. 3/30</b>	<b>In Class Review for Quiz #2</b>	
	<b>Wed. 4/1</b>	<b>Quiz #2</b>	
LECTURE 17	Mon. 4/6	Liabilities	CH 9
LECTURE 18	Wed. 4/8	Liabilities (cont'd)	CH 9
LECTURE 19	Mon. 4/13	Liabilities (cont'd)	CH 9

LECTURE 20	Wed. 4/15	Shareholders' Equity <b>Homework #3 Due (by 9am)</b>	CH 10
LECTURE 21	Mon. 4/20	Shareholders' Equity (cont'd)	CH 10
LECTURE 22	Wed. 4/22	Intercompany Investments	CH 11
LECTURE 23	Mon. 4/27	Financial Statement Analysis	CH 12
	<b>Wed. 4/29</b>	<b>In Class Review for Final Exam Homework #4 Due (by 9am)</b>	
	<b>Mon. 5/4</b>	<b>FINAL EXAM: 6pm-8pm</b>	