

The University of Pennsylvania—
The Wharton School -- Department of Accounting
Introduction to Financial Accounting, ACCT 101
Spring Semester, 2016
Professor Barry Grove (BG)
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Office: SHDH 1353, Suite 1350 (for office hours)
Office hours: T, TH 4:30-5:30 (or by special appointment)

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: 14th 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.

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 03/03/2016 (tentative date) Final Exam TBA (university schedule)

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 in person or via my e-mail.**

Exam Conflicts: Since all exams are in class during the regularly scheduled class time or on the university schedule, 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

Session #	Date	Topics/Readings		Suggested Problems
SESSION 1	01/14/2016	Introduction	Chapter 1	Ch 1: 21, 25, 27, 34, 35, 39
SESSION 2	01/19/2016	Overview of Financial Statements	Chapter 1	Ch 1: 21, 25, 27, 34, 35, 39
SESSION 3	01/21/2016	Accounting Mechanics/Process	Chapter 2, Chapter 3	Ch 2: 6, 10, 11 Ch 3: 10, 21, 26
SESSION 4	01/26/ 2016	Accounting Mechanics	Chapter 2,3	Same as above
SESSION 5	01/28/2016	Balance Sheet - Concepts	Chapter 4	Ch 4: 14, 15, 20, 22, 23, 25
SESSION 6	02/02/2016	Balance Sheet- Concepts	Chapter 4	Ch 4: 14, 15, 20, 22, 23, 25
SESSION 7	02/04/2016	Income Statement	Chapter 5	Ch 5: 11,12, 13, 16, 17
SESSION 8	02/09/2016	Income Statement/ Accounting Cycle	Chapter 5	Ch 5: 11, 12, 13, 16, 17
SESSION 9	02/11/2016	Cash Flow Statement	Chapter 6	Ch 6 : 22 (calculate CFO), 34a, 39
SESSION 10	02/16/2016	Statement of Cash Flows	Chapter 6	Ch 6: 22 (calculate CFO), 34a, 39
SESSION 11	02/18/2016	Financial Analysis	Chapter 7	Ch 7: 11, 15, 18
SESSION 12	02/23/2016	Revenue Recognition, Sales, A/R	Chapter 8	Ch 8: 22, 23, 27, 34, 37
SESSION 13	02/25/2016	No Class		
SESSION 14	03/01/2016	Review	(in class)	Sample Exam Problems
SESSION 15	03/03/2016	Midterm	(in class)	
SPRING BREAK	03/05/2016-03/13/2016			

SESSION 16	03/15/2016	Inventory	Chapter 9	Ch 9: 15, 16, 26, 27, 28
SESSION 17	03/17/2016	Inventory	Chapter 9	Same as above
SESSION 18	03/22/2016	Long Lived Assets	Chapter 10	Ch 10: 13, 17, 20, 21, 23, 26
SESSION 19	03/24/2016	Long Lived Assets	Chapter 10	Ch 10: 13, 17, 20, 21, 23, 26
SESSION 20	03/29/2016	Liabilities and Bonds	Chapter 11	Ch 11: 16, 18, 19, 20
SESSION 21	03/31/2016	Liabilities and Bonds	Chapter 11	Ch 11: 16, 18, 19, 20
SESSION 22	04/05/2016	Leases and Off the Balance Sheet Financing	Chapter 11	Ch 11: 25, 28
SESSION 23	04/07/2016	Leases	Chapter 11	Ch 11: 25, 28
SESSION 24	04/12/2016	Shareholder's Equity	Chapter 15	Ch 15: 14, 16, 18, 22, 24
SESSION 25	04/14/2016	Shareholder's Equity	Chapter 15	Ch 15: 14, 16, 18, 22, 24
SESSION 26	04/19/2016	Taxes	Chapter 12 (p.479-486)	Ch 12: 23, 24, 25
SESSION 27	04/21/2016	Taxes	Chapter 12 (p.479-486)	Ch 12: 23, 24, 25
SESSION 28	04/26/2016	Review Session	(In class)	Sample Exam Problems

Note: The Final Exam will be scheduled during the final exam period and will be cumulative.

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.