

ACCOUNTING AND FINANCIAL REPORTING
ACCT 1010
Spring 2024

(VERSION 1/19/24)



Instructor

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Office Hours:

Thursday 1:00 – 3:00 pm via Zoom. <https://upenn.zoom.us/j/3641391766>

Office hours are available by appointment. Please send me an email and we can set up a time.

Course Objectives:

This course introduces financial accounting as the “language of business.” It emphasizes the analysis and evaluation of accounting information from the perspective of both investors and managers in the processes of planning, decision-making, and control. The objective of the course is to provide an overview of financial accounting and external reporting, including the basic accounting concepts and principles, as well as the structure of the income statement, balance sheet, and statement of cash flows. The course covers the accounting for and the analysis of the most common and significant business transactions of a firm, such as credit sales, delivery of products and services, manufacturing processes and procurement, creation of operating infrastructure including production facilities, intellectual property, and goodwill, debt, and equity financing, as well as other (potential) obligations towards customers, suppliers, or tax authorities.

We recommend this course for students who will be using accounting information for investment decisions, who will be considering strategy choices in manufacturing and service operations, or who are simply seeking a broad understanding of accounting and financial information as it relates to shareholders, creditors, managers, and other stakeholders in the firm. The content of this course will be essential to those who want to pursue a career in investment banking, financial analysis, consulting, or general management and to those thinking of starting their own business.

Course Website:

The website for this course is on Canvas. On the website, we provide the following material:

- **Lecture Slides:** I will post updated versions (including the solutions of problems covered in class) of the lecture slides after class.
- **McGraw-Hill Connect:** see below. Access to Connect is required for homework assignments, practice exams, and submitting exams.

Course Textbook and Connect (required):

Thomas, W., M. Drake, J. Thomock, and J.D. Spiceland, *Financial Accounting for Managers*, 1. Ed., 2023, McGraw Hill.

You will be required to have materials from McGraw-Hill Education which include the textbook content supplemented with Connect software. Connect is McGraw-Hill's online assignment and assessment software you will use to access the eBook and your homework. The department has arranged with the publisher for two discounted purchase options to select from below.

- **Print Option-UPENN Bookstore:** Only the UPENN bookstore is offering a discounted package, **ISBN #: 9781264776931**, consisting of the loose-leaf version of the textbook packaged with a Connect access code. You will not find this ISBN # at Amazon or any other internet sites.

OR

- **Online Option - All DIGITAL:** You can purchase access to Connect (no print book but includes the eBook) directly from your Canvas account. To register for this option, click the **Purchase** option, directions below.

How to Register for Connect:

On our Canvas course page, click on Assignments, then **Begin**. If you have registered for Connect in a previous or concurrent course, enter that e-mail. If not, you will need to create an account.

If you purchased the textbook package from the bookstore, enter the 20-digit code from the Online Access Code in the **Use Connect code** box and click **Redeem**, see image below.


OR

If you are comfortable with just an eBook, select **Purchase**. With this option, you will see the option to purchase a loose-leaf book anytime during your 6-month subscription for an additional \$44 directly from McGraw-Hill.

If you are not sure you will remain in the course or waiting for the package from the bookstore, you should select the **Temporary Access** option which provides two weeks of complimentary access to Connect. At the end of the 14-day complimentary access period, you will need to enter either a 20-digit code from the bookstore package or select **Purchase**. Any work you complete during Courtesy Access will be saved.

Course Access

Your instructor has chosen:



Financial Accounting for Managers
1st Edition
Author: Wayne, Michael, Jake Thomas,
Drake, Thornock
ISBN: 1264503636

What you get with Connect

- Access to the eBook
- Online homework and quizzes
- Interactive tools and resources
- Free ReadAnywhere® app to access your eBook and SmartBook assignments anywhere
- Exclusive discounts on a loose-leaf copy of the textbook

How to get a printed text

- After registering in Connect, select "Loose-leaf option"

Choose your method of access

Use Connect Code

To access Connect, first enter your 20-digit access code.

[What is this?](#)

Access Code


Redeem

Connect

Full digital experience including eBook.

Price: \$70.00
Access until Jun 16, 2024

Secure payment



Purchase

Temporary Access

Get started now with two weeks of free access to Connect. Your work will be saved and will still be available to you and your instructor once you purchase.

Access Now

Technical Support:

If you need Technical Support (forgotten password, wrong code, etc.) please contact the McGraw-Hill Education Customer Experience Group (CXG) at:
(800) 331-5094

www.mhhe.com/support

(Please be sure to get your case number for future reference if you call the CXG line.)

Grading Policy:

The course grade is based on relative performance evaluation (i.e., a curve), but we use no forced grade distribution. Final grades are determined using the following weights (**total: 100 points**):

Midterm Exam #1	25 pts.
Midterm Exam #2	25 pts.
Midterm Exam #3	25 pts.
Homework	20 pts.
Participation and Professionalism	5 pts.

Please note that the above weighting scheme will be strictly adhered to. There is no possibility of earning extra credit or of changing the above weights.

Grades are distributed so that approximately 85% of the class enrollment (following the end of the drop period) receives A's or B's. The average grade for this class has been a B+ in the past. We note that no student who remains in the course after the drop period is negatively affected by the fact that other students have withdrawn. Students at the bottom of the distribution with poor

weighted average scores (e.g., below 45%) will likely receive a final grade of “F”.

Exams:

There are three midterm exams for this course. Each exam is structured such that students should be able to solve it in 60 minutes, but to give everyone a fair chance to carefully work through all the problems, we allot 90 minutes to the exams. The exams will be held in person but administered online using **Proctorio** and Canvas (i.e., bring your computer to class for the exams). You will find instructions on how to install and use the browser extension for Proctorio on your machine in the course home page on Canvas. Some of the practice exams have proctor controls on, so you can test your settings before each exam.

Midterm exams will be held in class. Midterm Exam #3 will be on the last teaching day of the semester. Note that every student will have to take and finish the exam in the assigned classroom for it to be counted. For exam dates, times, and the topics covered, see the class schedule below.

Exams are closed-book. But you are allowed to bring to each exam **one piece of 8 ½" x 11" paper with notes (double-sided)**. This paper may contain handwritten or typed (any font and size) notes.

The graded exams (including the solutions) will be available online once the exam scores have been released.

Academic Integrity:

I will actively monitor exams for violations of Penn’s Code of Academic Integrity. I will pursue action against any students who violate the Code with the involvement of the Office of Student Conduct. Students violating the Code will receive a final grade of “F.”

Penn’s Code of Academic Integrity provides the following definitions of Academic Dishonesty:

Activities that have the effect or intention of interfering with education, pursuit of knowledge, or fair evaluation of a student’s performance are prohibited. Examples of such activities include but are not limited to the following definitions:

- A. **Cheating:** using or attempting to use unauthorized assistance, material, or study aids in examinations or other academic work or preventing, or attempting to prevent, another from using authorized assistance, material, or study aids. *Example:* using a cheat sheet in a quiz or exam, altering a graded exam, and resubmitting it for a better grade, etc.
- B. **Plagiarism:** using the ideas, data, or language of another without specific or proper acknowledgment. *Example:* copying another person’s paper, article, or computer work and submitting it for an assignment, cloning someone else’s ideas without attribution, failing to use quotation marks where appropriate, etc.
- C. **Fabrication:** submitting contrived or altered information in any academic exercise. *Example:* making up data for an experiment, fudging data, citing nonexistent articles, contriving sources, etc.
- D. **Multiple submission:** submitting, without prior permission, any work submitted to fulfill another academic requirement.
- E. **Misrepresentation of academic records:** misrepresenting or tampering with or attempting to

tamper with any portion of a student's transcripts or academic record, either before or after coming to the University of Pennsylvania. *Example:* forging a change of grade slip, tampering with computer records, falsifying academic information on one's resume, etc.

- F. **Facilitating academic dishonesty:** knowingly helping or attempting to help another violate any provision of the Code. *Example:* working together on a take-home exam, etc.
- G. **Unfair advantage:** attempting to gain unauthorized advantage over fellow students in an academic exercise. *Example:* gaining or providing unauthorized access to examination materials, obstructing, or interfering with another student's efforts in an academic exercise, lying about a need for an extension for an exam or paper, continuing to write even when time is up during an exam, destroying or keeping library materials for one's own use, etc.

Most of these violations should be obvious. Carefully read items (A), (F), and (G) in the list above. (A) says that using unauthorized help is dishonest. Accepting third-party help on an exam (including from AI devices such as ChatGPT) is a violation.

(F) says that helping someone else is dishonest. If a friend is struggling and asks for your help to cheat, tell them to see me. I will do my best to support students who are struggling with the material.

(G) says that lying about the need for an extension is a dishonest way of obtaining an unfair advantage and is a violation of Penn's Code of Academic Integrity. Do not make-up or exaggerate an excuse. Attempting to take an exam outside of the designated classroom is unauthorized access and is also a violation of the Code.

Exam Accommodations:

It is the student's responsibility to take examinations at the times specified. If you need additional time to complete an exam because of a **university-recognized disability**, please inform your instructor (by e-mail) and the Office of Student Disabilities Services (SDS) within two weeks of the start of classes.

In other cases of **excused absences**, being seriously ill, or unavailable for some other reason, at the scheduled time of an exam is the only valid excuse for missing an exam. To be excused from an exam, the student must email the instructor as soon as possible (prior to the exam, if possible). Please note that a job interview or attendance at a social event are normally not sufficient reasons to miss an exam.

In the event of an excused absence from an exam, a **make-up exam** is given in Fall 2024 during the official make-up exam period set by the Registrar. Students who fail to take an exam without making arrangements with the instructor in accordance with the preceding requirements will receive a grade of zero for that exam.

Requests for Regrades:

If a student feels that there was a mistake in the grading of an exam, s/he must contact the instructor – not a TA – via email and submit a **written explanation** of the points of contention **within one calendar week** following the release of the exam scores. We will not consider submissions after this deadline. Any exam submitted for re-grade is subject to a **complete review**, which may result in an increase or decrease in the total score. All re-grade decisions are final.

Homework:

There are **11** sets of homework during the course of the semester. Each homework set may contain multiple assignments and will be administered on Connect. Homework is **due by 11:59pm Eastern time (i.e., Philadelphia time) on Sundays**. The homework is open-book and you are allowed to use all the class material. You may also work together with your classmates and attend TA office hours to obtain help with the homework. The homework is intended to help you stay up-to-date with the material.

If you receive a score of 70% (based on correctness) on homework throughout the semester, you will receive the full 20 points. No make-up homework will be given.

Class Participation:

Class participation grades are based on what you add to the learning experience of the entire class. Students who consistently make contributions that facilitate discussions, help to clarify technical points, or provide new insights will receive **5 points**. No contribution, or contributions that are obvious, confusing, or peripheral will result in a deduction of points for participation.

Class Etiquette:

The class will be in person. Both as a courtesy to your fellow students and the professor, and to ensure that everyone has the greatest opportunity to learn, please adhere to the following principles of professionalism:

- Students should sit in the same seat each class session. Please display **name tents** to make it easier for the instructor to keep track of participation.
- Class starts and ends on time. If a unique situation arises such that you must come in late or leave early, please inform your professor ahead of time and sit in an open aisle seat close to the door.
- Students should remain in attendance for the duration of class, except in an emergency.
- All phones and other electronic devices should be put away, with the exception of computers/tablets that are strictly used for the purpose of this class.
- We expect that you will treat this course as a professional engagement. Please do not carry-on private conversations during class.
- This is an interactive class. So, please, feel free to ask questions at any time.
- If you need to miss class for any reason (e.g., sickness, family commitment), please fill out a [Course Action Notice](#).

Student Preparation:

The lectures will cover all the relevant material for this course. The class schedule at the end of the syllabus provides an overview of the topics covered in each class session together with the relevant lecture slides, cases, and additional reading materials. Lectures slides are self-contained,

and we often will post both pre-lecture versions and post-lecture versions (with solutions) of the lecture slides to Canvas.

The syllabus also provides a reference to the relevant sections in the textbook. For the initial class sections of the course, we also post a series of instructional videos that explain the basic accounting concepts needed for this class.

Students should attend class having reviewed the daily class slides and, on days with an assigned article, case study or video, having read/watched these materials and worked through the case questions. It is also recommended that students read the chapter sections from the textbook either before or immediately after the class, and work through the homework problems from the textbook immediately after the class.

Withdrawal from the Course:

In order to withdraw from the course, the student must meet the university deadline and requirements regarding withdrawals. In particular, note that the university withdrawal deadline is **Tuesday, April 2, 2024**.

Teaching Assistants and TA Office Hours:

There are three teaching assistants for the course. All TAs performed extremely well in their accounting classes and are familiar with the material of our introductory financial accounting course. The TAs will hold regular office hours on three days every week (except for holidays) based on the schedule posted on the course website. All office hours will be held in room SHDH 103.

The typical weekly office hour schedule is as follows (**Note:** there are a **few exceptions** in the office hour schedule; thus, for exact dates and times, see the detailed schedule posted on the course website):

Monday	3:30 pm – 5:30 pm
Tuesday	3:30 pm – 5:30 pm
Thursday	3:30 pm – 5:30 pm

During office hours, the TAs will answer student questions about concepts, assigned problems/cases, or other topics covered in class.


If you have general questions about class content or concepts, please, use the discussion board on **Ed Discussion:** <https://edstem.org/us/join/UBFQXN> (on which your fellow students can provide answers).

The TAs for the course are as follows:

Diego Lijeron	dlijeron@wharton.upenn.edu
Anh Ngo	anhngo@sas.upenn.edu
Hailey Steinberg	haileyst@wharton.upenn.edu

Class Schedule (all topics listed below will be covered)

- Key:** TB Reading refers to the Thomas et al. textbook.
 Cases to be discussed in class (read/attempt to solve before class).
 Videos as additional instructional resource (watch before class).
 Deliverables (i.e., homework and exams)

 Out-of-class session; class meets at special time.

1	Mon	1/22	Course Overview & Chapter 1: A Framework for Financial Accounting Slides: Sessions 1 & 2 TB Reading: Chapter 1
2	Wed	1/24	Chapter 1: A Framework for Financial Accounting (continued) Slides: Sessions 1 & 2 TB Reading: Chapter 1 Videos: V01 Overview; V02-1 Balance Sheet
	Sun	1/28	Connect assignments due by 11:59pm eastern, covering Chapter 1
3	Mon	1/29	Chapter 2: The Financial Statements Slides: Sessions 3 & 4 TB Reading: Chapter 2 Videos: V02-2 Accounting Identity; V03-1 Book Entries; V03-2 Practice Problems
4	Wed	1/31	Chapter 2: The Financial Statements (continued) Slides: Sessions 3 & 4 TB Reading: Chapter 2
	Sun	2/4	Connect assignments due by 11:59pm eastern, covering Chapter 2
5	Mon	2/5	Chapter 3: The Accounting Cycle: During the Period Slides: Sessions 5 & 6 Case: Mr. Monopoly (Q1 – Q3) TB Reading: Chapter 3 Videos: V04-1 Accounting Cycle; V04-2 Relic Spotter Case; V05-1 Income Statement

6	Wed	2/7	Chapter 3: The Accounting Cycle: During the Period (continued) Slides: Sessions 5 & 6 Case: Mr. Monopoly (continued; Q4 – Q6) TB Reading: Chapter 3
Sun		2/11	Connect assignments due by 11:59pm eastern, covering Chapter 3
7	Mon	2/12	Chapter 4: The Accounting Cycle: End of the Period Slides: Sessions 7 & 8 Case: Animatronics TB Reading: Chapter 4 Videos: V06-1 Adjusting Entries; V06-2 Practice Problems; V07 Financial Statements (until minute 11')
8	Wed	2/14	Chapter 4: The Accounting Cycle: End of the Period (continued) Slides: Sessions 7 & 8 Case: Tata Motors TB Reading: Chapter 4
Sun		2/18	Connect assignments due by 11:59pm eastern, covering Chapter 4
9	Mon	2/19	Review Session for Midterm Exam #1 (7–8:30 pm) (Review session will be held online via Zoom; Topics covered: practice exam) NOTE: Different time (but session will be recorded)!
10	Wed	2/21	Midterm Exam #1 (in class) (Topics covered: Sessions #1 - #9, inclusive)
11	Mon	2/26	Chapter 5: Revenue and Receivables Slides: Sessions 11 & 12 Cases: Apple; United Airlines TB Reading: Chapter 5
12	Wed	2/28	Chapter 5: Revenue and Receivables (continued) Slides: Sessions 11 & 12 Case: Barnes & Noble TB Reading: Chapter 5

Sun 3/10 **Connect assignments due by 11:59pm eastern, covering Chapter 5**

13 Mon 3/11 **Chapter 6: Inventory and Cost of Goods Sold**

Slides: Sessions 13 & 14

Case: **Urban Outfitters**

TB Reading: Chapter 6

14 Wed 3/13 **Chapter 6: Inventory and Cost of Goods Sold (continued)**

Slides: Sessions 13 & 14

Case: **Caterpillar**

TB Reading: Chapter 6

Sun 3/17 **Connect Assignments due by 11:59pm eastern, covering Chapter 6**

15 Mon 3/18 **Chapter 7: Long-Term Assets**

Slides: Sessions 15 & 16

TB Reading: Chapter 7

16 Wed 3/20 **Chapter 7: Long-Term Assets (continued)**

Slides: Sessions 15 & 16

Case: **Berwick Tools**

TB Reading: Chapter 7

Sun 3/17 **Connect assignments due by 11:59pm eastern, covering Chapter 7**

17 Mon 3/25 **Review Session for Midterm Exam #2 (7–8:30 pm)**

(Review session will be held online via Zoom; Topics covered: practice exam) **NOTE: Different time (but session will be recorded)!**

18 Wed 3/27 **Midterm Exam #2 (in class)**

(Topics covered: Sessions #11 - #17, inclusive)

19 Mon 4/1 **Chapter 9: Liabilities**

Slides: Sessions 19 & 20

Case: **Citigroup**

TB Reading: Chapter 9 & Appendix C (Time-Value of Money)

20	Wed	4/3	Chapter 9: Liabilities (continued)
			Slides: Sessions 19 & 20
			Case: Intelsat
			TB Reading: Chapter 9 & Appendix C (Time-Value of Money)

Sun		4/7	Connect assignments due by 11:59pm eastern, covering Chapter 9
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21	Mon	4/8	Chapter 10: Stockholders' Equity
			Slides: Sessions 21 & 22
			Case: Starbucks
			TB Reading: Chapter 10

22	Wed	4/10	Chapter 10: Stockholders' Equity (continued)
			Slides: Sessions 21 & 22
			Case: PepsiCo
			TB Reading: Chapter 10

Sun		4/14	Connect assignments due by 11:59pm eastern, covering Chapter 10
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23	Mon	4/15	No Class
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24	Wed	4/17	Chapter 11: Statement of Cash Flows
			Slides: Sessions 24 & 25
			Case: Callaway Golf
			TB Reading: Chapter 11

Sun		4/21	Connect assignments due by 11:59pm eastern, covering Chapter 11
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25	Mon	4/22	Chapter 11: Statement of Cash Flows (continued)
			Slides: Sessions 24 & 25
			Case: Ford Motor Company
			TB Reading: Chapter 11

26	Wed	4/24	Chapter 12: Financial Statement Analysis
			Slides: Session 26
			Case: My Company
			TB Reading: Chapter 12

Sun		4/28	Connect assignments due by 11:59pm eastern, covering Chapter 12
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27	Mon	4/29	Review Session for Midterm Exam #3 (7–8:30 pm)
			(Review session will be held online via Zoom; Topics covered: practice exam) NOTE: Different time (but session will be recorded)!

28	Wed	5/1	Midterm Exam #3 (in class)
			(Topics covered: Sessions #19 - #27, inclusive)
