

**Pre-Term Financial Accounting
ACCOUNTING 604
Syllabus, Summer 2013**

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Required Course Material:

Bulk packet of class notes and readings, 2013 edition. (BP)
This document is available online on the course website.

Recommended Textbooks:

Dyckman, T., R. Magee, and G. Pfeiffer, *Financial & Managerial Accounting*, Wharton Custom Edition, 2013, Cambridge Business Publishers. (DMP)

This textbook is especially customized for ACCT 611, 612, or 613, and will be required for those classes. Hence, it is also recommended as additional resource for the pre-term course. The textbook is available only in the Penn Bookstore. In the detailed schedule below, I indicate additional practice problems from the textbook that will help you reinforce the material covered in class. Solutions to these problems are posted on the course website.

Course Website:

The web site for this course is:

<https://wharton.instructure.com/courses/1109371>

Course Structure:

This course is aimed at students with some prior knowledge of:

- (1) keeping track of economic transactions in the accounting records (i.e., bookkeeping);
- (2) basic financial statements which summarize a firm's economic transactions (i.e., the balance sheet, the income statement and the statement of cash flows), and
- (3) fundamental concepts needed to prepare or understand published financial statements (e.g., use of accrual accounting).

The course aims to prepare students for the placement exam into the half-semester course in financial accounting (ACCT 612).

Preparation for class:

Students should come to class having done the assigned reading and having worked through the assigned problems. Classes will employ a lecture and discussion format with questions strongly encouraged.

Summary of Class Schedule: (see notes below)

Class Dates	Topics	Related Readings	Problems
Tue. 7/30	L1a: Elements of Financial Statements	(BP) p. 1-31	(BP) PP #2.1 and #2.2 (p. 32) PP #3.1 and #3.2 (p. 76-81)
	L1b: Accounting Process	(BP) p. 33-43	(BP) PP #3.3 (p. 82-85)
		(DMP) Ch. x and x	(DMP) tba
Wed. 7/31	L2a: Accounting Process (cont.) & WorldCom Case	(BP) p. 44-62	(BP) PP #3.4 to #3.6 (p. 86-90), Case #1 WorldCom Inc. (p. 63-75)
	L2b: Statement of Cash Flows	(BP) p. 91-117	(BP) PP #4.1 and #4.2 (p. 153-154)
		(DMP) Ch. x and x	(DMP) tba
Thu. 8/1	L3a: Statement of Cash Flows (cont.)	(BP) p. 118-142	(BP) PP #4.3 to #4.5 (p. 155-162)
	L3b: Sample Placement Exam Questions	(BP) Appendix B (p. 179-211)	
		(DMP) Ch. x	(DMP) tba

Notes:

(BP) - refers to the Bulk Pack.

(DMP) - X-Y refers to problem Y in chapter X of the Dyckman et al. textbook.

At the end of each section of the Bulk Pack there are practice problems. The solutions to the practice problems are given in Appendix A of the Bulk Pack (p. 164-178).

Objectives of ‘Elements of Financial Statements’ & ‘Accounting Process’ Classes:

Understand the definition and measurement of assets, liabilities, and owners’ equity, revenues and expenses. Learn the difference between accrual accounting and the cash basis of accounting. Have an awareness of different revenue recognition methods. Understand the journal entries involved in revenue and expense recognition, including adjusting and closing entries. Learn how to prepare an income statement and balance sheet. Understand the relation between the balance sheet and income statements.

Objectives of ‘Statement of Cash Flows’ Class:

Understand the importance of cash and the difference between net income and operating cash flow. Understand the three sources and uses of cash. Learn how to prepare and read a statement of cash flows presented using the indirect method.

Objectives of ‘Sample Placement Exam Questions’ Class:

Prepare for ACCT 612 Placement Exam.

ACCT 612 Placement Exam:

Sunday, August 4th, 2013, 11:30 am to 1:30 pm (room to be announced).