

ACCT 212
Financial Measurement and Disclosure
Fall Semester 2021

Instructor

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Course prerequisites

ACCT 212 has two prerequisites: first, a student has to have completed successfully ACCT 101 (or some equivalent introductory financial accounting course); and second, a student has to be reasonably facile in the use of a calculator for quizzes. Tutorials for the latter are likely available online; however, no class time has been set aside for such.

Course textbook (required)

It will be very difficult to succeed in this course without access to the textbook (TB), and so students should secure a copy before the 1st class. The TB for this course is *Intermediate Accounting, 2e*, by Michelle Hanlon, Leslie Hodder, Karen Nelson, Darren Roulstone, and Amie Drago, Cambridge Business Publishers (ISBN: Volume 1: 978-1-61853-313-5; Volume 2: 978-1-61853-335-7; Copyright 2020). Cambridge Business Publishers also have available for purchase an electronic text (eBook): use the link <https://cambridgepub.com/book/intermediate-2e?purchase>.

Course website

The website for ACCT 212 can be found on Canvas: <https://canvas.upenn.edu/courses>. All the course material for class **XX** will be placed in a folder titled “Course material: Class #**XX**” in the “Files” section of the website. Course material in Files also includes:

- Lecture slides for each class in PDF format (in the “Course material: Class #**XX**” folder).
- Solutions to the all the TB exercises and problems (in its own separate folder).
- The quiz used last year that corresponds to the quiz-date this year (e.g., last year’s Quiz #1 is in this year’s “Course material: Class #8”)
- Suggested solutions and summary performance statistics for this year’s quizzes after grading has been completed (in its own separate folder).

Let's talk about this course

What does the humble honeybee, the North Atlantic right whale, and students who concentrate in accounting at Wharton all have in common? Each is its own type of 'endangered species' whose numbers have collapsed in recent years. While there are myriads of reasons for the decline, the implications can be profound. For example, in most undergraduate business programs the 2-semester intermediate financial accounting sequence is the backbone of the curriculum – at least for students with interests in finance and accounting. In intermediate financial accounting students achieve a comprehensive understanding of the guidelines set forth by generally accepted accounting principles (GAAP) to measure a firm's performance, and then disclose the results to shareholders, creditors, etc. In other words, the intermediate financial accounting sequence serves as an important transition from basic accounting (e.g., ACCT 101) into reading and analyzing real-world financial data. As such, it is an invaluable 'skills' course that should assist a student admirably in a variety of work endeavors related to finance, accounting, and financial institutions. However, to make the accounting major more accessible, we re-structured our 2-semester sequence ('old' ACCT 201 & 202) into a 1-semester course (current ACCT 212). To accommodate this change, we introduced a new textbook (see above: *Intermediate Accounting*, 2e, Cambridge Business Publishers) and attempt to teach the course from a more general finance perspective (and less from a traditional accounting perspective). For example, one dilemma in the use of intermediate financial accounting textbooks is that they are written for a 2-semester course sequence (assets in the fall; liabilities and shareholders' equity in the spring) and chiefly for an undergraduate audience interested in working in public accounting. However, our textbook breaks down each chapter into a series of "learning objectives" (LOs). This will allow us to focus on the LOs at the *beginning* of each chapter – arguably, the LOs that are the most relevant to a general finance audience – and avoid the LOs toward the *end* of each chapter – which are more arcane (i.e., tedious-and-boring) and thus less suited to a general audience. In the **Topic Coverage** at the end of this syllabus, the LOs for each chapter have been designated as covered (√) or not covered (∅). By avoiding the LOs that seem unduly tedious, our goal is to march through most of the textbook in one semester and focus on the course material that is most relevant.

Note that exercises and problems at the end of each chapter in the textbook are also keyed to specific LOs. This means that a student can focus exclusively on those exercises/problems germane to the course coverage (as laid out in the **Topic Coverage**).

Let's talk about grading

We plan to install a GPA (grade point average) of between **3.4** and **3.5**: this implies that the *median* grade for the course should be either an **A-** or **B+** (depending on the distribution of course grades). Course coverage in quizzes is **NOT** cumulative: reference **Topic Coverage** in the **Course Schedule** below for the specific chapters and LOs covered in each quiz. The following table provides a summary of relevant quiz information.

Quiz	Date	Time Allotted	Points
Quiz #1	September 23	90 minutes	50 pts.
Quiz #2	October 21	90 minutes	50 pts.
Quiz #3	November 18	90 minutes	50 pts.
Quiz #4	December 9	90 minutes	<u>50 pts.</u>
Total Points			<u>200 pts.</u>

In preparing for the quizzes the following hierarchy is recommended.

1. Carefully review the lecture slides that accompany each class.
2. Read the course material in the TB related to the **Topic Coverage**.
3. Do as many exercises and problems in the TB related to the **Topic Coverage** as is practical.
4. Review the practice quizzes from last year (2020).

There are no "make-up" quizzes! Potential conflicts with quiz dates should be brought to our attention at the beginning of the semester, and will be dealt with on a case-by-case basis. In the event of a documented medical emergency, a proportional adjustment will be made to performances on other quizzes to back into the 200-pt. total.

Course Schedule

Date & Class	Topic Coverage	LOs covered (✓); not covered (⊘)		
August 31 Class #1	Chapter 2 Accounting Information System	LO 2-1 ✓ LO 2-2 ✓ LO 2-3 ✓ LO 2-4 ✓	LO 2-5 ✓ LO 2-6 ✓ LO 2-7 ⊘ LO 2-8 ⊘	LO 2-9 ⊘ LO 2-10 ⊘
September 2 Class #2	Chapter 3 Income Statement and Comprehensive Income Chapter 4 Balance Sheet and Financial Reporting	LO 3-1 ✓ LO 3-2 ✓ LO 3-3 ✓ LO 3-4 ✓	LO 3-5 ✓ LO 3-6 ⊘ LO 3-7 ⊘ LO-3-8 ⊘	LO 4-1 ✓ LO 4-2 ✓ LO 4-3 ✓ LO 4-4 ⊘ LO 4-5 ⊘
September 7 Class #3	Chapter 5 Statement of Cash Flows and Financial Analysis	LO 5-1 ✓ LO 5-2 ✓ LO 5-3 ✓	LO 5-4 ⊘ LO 5-5 ⊘ LO 5-6 ⊘	LO 5-7 ✓ LO-5-8 ✓
September 9 Class #4	Chapter 6 Time Value of Money	LO 6-1 ✓ LO 6-2 ⊘ LO 6-3 ✓	LO 6-4 ⊘ LO 6-5 ✓ LO 6-6 ✓	LO 6-7 ✓ LO-6-8 ⊘
Sept. 14 & 16 Classes #5 & 6	Chapter 7 Revenue Recognition	LO 7-1 ✓ LO 7-2 ✓ LO 7-3 ✓ LO 7-4 ✓	LO 7-5 ✓ LO 7-6 ✓ LO 7-7 ⊘ LO 7-8 ⊘	LO 7-9 ⊘ LO 7-10 ✓ LO 7-11 ⊘
September 21 Class #7	Chapter 8 Cash and Receivables	LO 8-1 ✓ LO 8-2 ✓ LO 8-3 ✓	LO 8-4 ✓ LO 8-5 ⊘ LO 8-6 ⊘	LO 8-7 ✓ LO 8-8 ⊘ LO 8-9 ⊘
September 23 Class #8	Quiz #1	All course material to date		
September 28 Class #9	Chapter 9 Inventory: Measurement	LO 9-1 ✓ LO 9-2 ✓ LO 9-3 ✓	LO 9-4 ⊘ LO 9-5 ⊘ LO 9-6 ✓	LO 9-7 ✓ LO 9-8 ⊘ LO 9-9 ⊘
September 30 Class #10	Chapter 10 Inventory: Additional Issues	LO 10-1 ✓ LO 10-2 ✓ LO 10-3 ✓	LO 10-4 ⊘ LO 10-5 ⊘ LO 10-6 ✓	LO 10-7 ⊘ LO 10-8 ⊘ LO 10-9 ⊘
October 5 Class #11	Chapter 11 Property, Plant, and Equipment: Acquisition and Disposition	LO 11-1 ✓ LO 11-2 ✓ LO 11-3 ✓	LO 11-4 ✓ LO 11-5 ✓ LO 11-6 ✓	LO 11-7 ✓ LO 11-8 ✓ LO 11-9 ✓
October 7 Class #12	Chapter 12 Depreciation, Impairments, and Depletion	LO 12-1 ✓ LO 12-2 ✓ LO 12-3 ⊘ LO 12-4 ✓	LO 12-5 ✓ LO 12-6 ⊘ LO 12-7 ✓ LO 12-8 ⊘	LO 12-9 ⊘ LO 12-10 ✓ LO 12-11 ✓
October 12 Class #13	Chapter 13 Intangible Assets and Goodwill	LO 13-1 ✓ LO 13-2 ✓	LO 13-3 ✓ LO 13-4 ✓	LO 13-5 ✓ LO 13-6 ✓

Course Schedule (continued)

Date & Class	Topic Coverage	LOs covered (✓); not covered (⊘)		
October 19 Class #14	Start: Chapter 14 Investments in Debt and Equity Securities	LO 14-1 ✓ LO 14-2 ✓ LO 14-3 ✓	LO 14-4 ✓ LO 14-5 ✓ LO 14-6 ⊘	LO 14-7 ✓ LO 14-8 ⊘ LO 14-9 ✓
October 21 Class #15	Quiz #2	Course material in Classes #9-13		
October 26 Class #16	Finish: Chapter 14 Investments in Debt and Equity Securities	LO 14-1 ✓ LO 14-2 ✓ LO 14-3 ✓	LO 14-4 ✓ LO 14-5 ✓ LO 14-6 ⊘	LO 14-7 ✓ LO 14-8 ⊘ LO 14-9 ✓
October 28 Class #17	Chapter 15 Current Liabilities and Contingencies	LO 15-1 ✓ LO 15-2 ✓	LO 15-3 ⊘ LO 15-4 ✓	LO 15-5 ✓ LO 15-6 ⊘
November 2 Class #18	Chapter 16 Long-Term Liabilities	LO 16-1 ✓ LO 16-2 ✓ LO 16-3 ✓ LO 16-4 ✓	LO 16-5 ✓ LO 16-6 ⊘ LO 16-7 ✓ LO 16-8 ✓	LO 16-9 ⊘ LO 16-10 ✓ LO 16-11 ⊘ LO 16-12 ⊘
November 4 & 9 Class #19 & 20	Chapter 17 Accounting for Leases	LO 17-1 ✓ LO 17-2 ✓ LO 17-3 ✓	LO 17-4 ✓ LO 17-5 ✓ LO 17-6 ⊘	LO 17-7 ✓
November 11 Class #21	Chapter 18 Income Taxes	LO 18-1 ✓ LO 18-2 ✓ LO 18-3 ✓ LO 18-4 ✓	LO 18-5 ✓ LO 18-6 ✓ LO 18-7 ⊘ LO 18-8 ✓	LO 18-9 ⊘ LO 18-10 ⊘
November 16 Class #22	Chapter 19 Pensions and Postretirement Benefits	LO 19-1 ✓ LO 19-2 ✓ LO 19-3 ✓ LO 19-4 ✓	LO 19-5 ✓ LO 19-6 ✓ LO 19-7 ⊘ LO 19-8 ⊘	LO 19-9 ⊘ LO 19-10 ⊘
November 18 Class #23	Quiz #3	Course material in Classes # 14, 16-20		
November 23 Class #24	TBA			
November 25	Thanksgiving Break – <i>No class!</i>			
Nov. 30 & Dec. 2 Class #25 & 26	Chapter 20 Stockholders' Equity	LO 20-1 ✓ LO 20-2 ✓ LO 20-3 ✓	LO 20-4 ✓ LO 20-5 ✓ LO 20-6 ✓	LO 20-7 ✓ LO 20-8 ✓
December 7 Class #27	Chapter 22 Statement of Cash Flows Revisited	LO 22-1 ✓ LO 22-2 ✓ LO 22-3 ✓	LO 22-4 ✓ LO 22-5 ✓ LO 22-6 ✓	LO 22-7 ✓ LO 22-8 ⊘
December 9 Class #28	Quiz #4	Course material in Classes #21, 22, 24-27 (disregard Class #24 if we cancel this class)		