

Peking University
HSBC Business School
FINANCIAL ACCOUNTING
Tuesday & Friday 3:30-5:20 p.m. Room 311
2nd Module, 2015 Fall (Nov. 12th – Jan. 15th)

Instructor: Dr. Nan Liu

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Office Hours: Thursday 3: 00pm-5:00pm, or by appointment.

Teaching Assistant: Xin Li, 1501214070@sz.pku.edu.cn

Office hours: Monday 8:30-10:30 am and Wednesday 3:00-5:00 pm

COURSE OBJECTIVES:

The purpose of this course is to teach students the skills to apply accounting knowledge to solve real business problems and make solid decisions. Upon successful completion of financial accounting, students will be able to: translate activities related to essential business processes into accounting information reflected in the accounting information system; prepare financial reports for external users; and comprehend the usefulness of accounting information to stakeholders making business decisions.

PREPARATION AND PARTICIPATION:

Students are expected to come to class prepared, and will work on in-class exercises. Your attendance and active participation in this class are essential to your learning. Research shows that attendance is a good predictor of performance. Students that read the chapters and review their notes and lecture material have a much better success rate.

COURSE MATERIAL:

Financial Accounting, Tools for business decision making, 6th edition, Kimmel, Weygandt and Kieso, ISBN: 978-0470534779 (Lecture)

Financial Statement Analysis, 11th edition, Subramanyam, ISBN: 978-7300196343 (Project)

COURSE WEBSITE:

<http://cms.phbs.pku.edu.cn/> This is PHBS's online learning environment that supports teaching, learning, and collaboration for students and instructors. Specifically, you will find your class syllabus, handouts, and instructor announcements on this website. Be sure to check the System frequently for announcements and any changes to the class schedule.

GRADING:

Exam 1	100 points, 20%
Exam 2	100 points, 20%
Exam 3	120 points, 24%
Best 10 of 11 Quizzes (@7 points each)	70 points, 14%
Class Participation (@ 5 points each)	80 points, 16%
Group Term Project	30 points, 6%
Total Points	500 points, 100%

TENTATIVE CLASS SCHEDULE

Week	CLASS DATE	READING ASSIGNMENT	LEARNING OBJECTIVES	QUIZ DUE IN CLASS
1	Nov. 13	Chapter 1 Introduction to Financial Statements	Discuss the concept of accounting, and financial statements, and the importance of ethics in financial reporting. And Explain the concepts of accounting transactions.	
2	Nov. 17	Chapter 3 The Accounting Information System	Define debits and credits and identify the basic steps in the recording process. Prepare a trial balance.	QUIZ 1
	Nov. 20	Chapter 4 Accrual Accounting Concepts	Explain the accrual basis of accounting; identify the major types of adjusting entries and prepare adjusting entries; and discuss the process of closing the books	QUIZ 2
3	Nov. 24	Chapter 2 A Further look at Financial Statements	Identify the sections of a classified balance sheet. Discuss the building blocks of accounting. Compute Ratios for analysis	QUIZ 3
	Nov. 27	Review for Exam 1	.	QUIZ 4
4	Dec. 1	Exam 1	Ch 1-5	
	Dec. 4	Chapter 5 Merchandising operations and the multiple-step income statement	Identify the differences between a service company and a merchandising company. Explain the recording of purchases and sales under a perpetual inventory system.	
5	Dec. 8	Chapter 5 continued Chapter 6 Recording and analyzing inventory	Understand multiple-step income statement. Determine cost of goods sold under a periodic system. Explain the basis of accounting for inventories and apply the inventory cost flow methods under a periodic inventory system	
	Dec. 11	Chapter 6 continued	Explain the lower-of-cost-or-market basis of accounting for inventories. Describe the LIFO reserve and explain its importance for comparing results of different companies	QUIZ 5
6	Dec. 15	Chapter 8 Reporting and analyzing receivables	Explain how accounts receivable are recognized in the accounts. Describe the methods used to account for bad debts. Compute the interest on notes receivable. Describe the entries to record the disposition of notes receivable.	QUIZ 6
	Dec. 18	Chapter 8 Continued Review for exam 2	Describe the principles of sound accounts receivable management.	QUIZ 7
7	Dec. 22	Exam 2	Ch5, 6, 8	
	Dec. 25	Chapter 9 Reporting and Analyzing long-lived assets	Describe how the cost principle applies to plant assets. Compute periodic depreciation.	

TENTATIVE CLASS SCHEDULE

Week	CLASS DATE	READING ASSIGNMENT	LEARNING OBJECTIVES	QUIZ DUE
8	Dec. 29	Chapter 9 continued Chapter 10 Reporting and analyzing liabilities	Explain how to account for the disposal of plant assets. Identify the basic issues related to reporting intangible assets. Explain a current liability and identify the major types of current liabilities	
	Dec. 30	Chapter 10 continued	Describe the accounting for notes payable, bonds and interest expenses. Describe the entries when bonds are redeemed.	QUIZ 8
9	Jan. 5	Chapter 11 Reporting and Analyzing stockholder's equity	Record the issuance of common stock. Explain the accounting for the purchase of treasury stock. Prepare the entries for cash dividends and understand the effect of stock dividends and stock splits. Identify the items that affect retained earnings	QUIZ 9
	Jan. 8	Chapter 12 Statement of cash flows	Distinguish among operating, investing, and financing activities. Prepare a statement of cash flows using the indirect method.	QUIZ 10
10	Jan. 12	Review for exam Group Term project due		QUIZ 11
	Jan. 15 3:30-5:30	Final Exam	Ch 9-12	

Note:

- Quizzes are due at the beginning of class and will be posted under Document on CMS.
- There are NO MAKE-UP QUIZZES.
- Students who have examination conflicts with the scheduled examination time periods must contact the instructor at least one week before the first exam date. Students who miss an exam due to an emergency situation must contact the instructor as soon as possible. Documentation of the time conflict or emergency situation will be required. Make-up exams will be more difficult than regularly scheduled exams, and may be given only on the presentation by the student of documented, valid, and acceptable excuses.
- The course syllabus, schedule, and assignments provide a general plan for the course; deviations may be necessary.