



FACULTY OF BUSINESS AND ECONOMICS
THE UNIVERSITY OF HONG KONG

BUSI0019 A, B & C
Intermediate Accounting 1
Fall 2008

I. Information on Instructors and Tutors

Instructor: Dr. Min Wu
Email: mw1688@hku.hk
Office: MW 406E
Tel. (O): 2857- 8354

Tutors: Mr. Godric Chan
Email: godric@hku.hk,
Office: MW 618
Tel.(O): 2241 5244

Ms. Shadow Hui
shadowhui1212@yahoo.com.hk
Office: MW 618
Tel.(O): 2241-5243

II. Course Description:

Intermediate Accounting 1 is the first of two intermediate financial accounting subjects. The study of financial accounting is primarily concerned with the way in which the financial statements of companies are prepared and used. This subject focuses on the detailed recording and reporting of important items of financial information and explores how that information may be applied in better understanding the financial performance and position of a company. The intent is to build on the foundation laid in the first year introductory accounting subject with the goal of better equipping students with the skills needed to prepare and interpret financial statements. Further, the subject aims to provide the prerequisite knowledge that will enable students to progress and study further accounting topics.

III. Course Information

Prerequisite:

- This is a compulsory course open to all 2nd year students in the BBA (A&F) Program
- This is also an elective course open to non-faculty students
- All students should have passed the Introduction to Accounting course

Text and Reading Materials:

- Text in use: Stice, E.K., Stice, J.D. and Skousen, K.F., Intermediate Accounting (16th Edition), Thomson South-Western Publishing, Cincinnati, Ohio, 2007.
- Reference book: Wiley IFRS 2008: Interpretation and Application of International Accounting and Financial Reporting Standards
- Lecture notes
- Additional handouts

IV. Course Objectives:

1. To comprehend the objectives, functions, regulatory frameworks, and practices of financial reporting.
2. To learn and apply the techniques and methods in the preparation and presentation of financial accounting reports in accordance with prescribed regulations.
3. To attain knowledge of the theories, techniques, and methods of financial statement analysis in order to assess the financial performance and position of business entities.
4. To understand and value ethical issues in accounting.

V. Course Learning Outcomes:

Upon the successful completion of this course, students should:

1. Be able to explain and discuss the fundamentals of financial reporting.
2. Know how to describe and analyze various financial statements and accounting information provided by business entities.
3. Be familiar with the accounting process and the fundamental accounting concepts.
4. Be capable of identifying and discussing the ethical issues in accounting.

VI. Alignment of HKU, Program and Course Outcomes

Learning outcomes	HKU aims	PLO's
<ol style="list-style-type: none">1. Be able to formulate and analyze business problems.2. Demonstrate hands-on skills in effective use of information technologies.3. Be able to design, implement, evaluate, and manage information systems in business applications.4. Be able to distinguish between minor and major business and technical issues.5. Be able to identify, obtain, and use relevant information in highlighting trade-offs and making informed decisions.6. Demonstrate the capacity to deal with ethical and social issues.7. Adhere to and respect university regulations on academic conduct.8. Be able to function in teams effectively.9. Display leadership traits.10. Demonstrate knowledge and awareness of international issues11. Be able to function in multicultural settings.12. Be able to articulate and make convincing and coherent presentations.13. Be able to write effectively.14. Should be able to use specific technical terminology	<ol style="list-style-type: none">1. To learn fundamental concepts and theories of accounting, business and economics2. To develop analytical skills3. To identify major issues/problems4. To develop capacity to obtain and process information5. To apply relevant concepts and analytical tools, identify viable alternatives, make informed choices, and recommend an implementation plan6. To broaden perspectives of ethics and social responsibility, specifically the accounting professional codes of conduct7. To be a team player8. To instill leadership skills9. To keep abreast of global developments and adapt to changing environments10. To develop cross cultural awareness and understand the importance of diversity11. To be an effective communicator, both spoken and written	<ol style="list-style-type: none">1. Acquisition and internalization of knowledge of accounting, business and economics2. Application and integration of knowledge3. Inculcating professionalism and leadership4. Developing global outlook5. Mastering communication skills

VII. Assessment Tasks

Learning outcomes	Teaching and learning activities	Assessment tasks
<ol style="list-style-type: none"> 1. Be familiar about the financial statements provided by a business entity, the accounting process and fundamental accounting concepts. 2. Possess sound understanding the practices and regulation of financial reporting in Hong Kong. 3. Be able to analyze and interpret financial statements for the purposes of evaluating performance and making financial decisions. 4. Be able to explain and discuss ethical issues in accounting. 	<ol style="list-style-type: none"> 1. Weekly lectures covering various financial accounting topics 2. Weekly set exercises and problems assigned for discussion 3. Weekly Tutorials involving various assigned exercises & other interactive activities 4. Tutorial presentations 	<p>For Dr. Wu's sessions:</p> <ol style="list-style-type: none"> 1. Tutorial Attendance & assignments (10%) 2. Mid-term Test (45%) 3. Final Examination (45%) <p>Final exam is NON-cumulative</p>

Standards for Assessment:

- The success of this course depends on your individual and collective contribution to the case analyses and class discussions. Please read the assigned readings and prepare the cases before each class so that you could contribute effectively to case discussions. Learning with cases occurs at three stages: at individual-level, at group-level and in classroom. So after you have prepared a case individually you should discuss it in your study group before coming to the class.
- You are expected to participate voluntarily, or will be called upon, to contribute to set exercises and problems. The learning objective of this part of the course is to enhance your communication, listing, and articulations skills. *Your grade for this part will depend on your ability to apply relevant theories and concepts to the case under study, listen carefully to the discussion under way, organize your remarks, and articulate your thoughts and ideas in coherent and logical manner.*

VII. Academic and Class Conduct

- Plagiarism and copying of copyright materials are serious offences and may lead to disciplinary actions. You should read the chapters on and “Plagiarism” and “Copyright” in the Undergraduate/Postgraduate Handbook for details. You are strongly advised to read the booklet entitled “What is Plagiarism?” which was distributed to you upon your admission into the University, a copy of which can be found at www.hku.hk/plagiarism. A booklet entitled “Plagiarism and How to Avoid it” is also available from the Main Library.
- The use of all electronic devices, including computers, mobile phones and games is strictly prohibited.
- You are required to attend all the classes on time. In case you cannot attend a class you should inform the instructor beforehand.

VIII. Course Outline

Week 1 (1st – 5th September)

Topic: Financial Reporting and the Accounting Cycle

Reading: Chapters 1 & 2

Week 2 (8th – 12th September)

Topic: The Conceptual Framework

Reading: TBA

Week 3 (15th – 19th September)

Topic: The Balance Sheet

Reading: Chapter 3

Week 4 (22nd – 26th September)

Topic: The Income Statement

Reading: Chapter 4

Week 5 (29th September – 3rd October)

Topic: Statement of Cash Flows and Articulation

Reading: Chapter 5

Week 6 (6th – 10th October) *No class on 7th October Chung Yeung Festival*

Topic: Revenue recognition

Reading: Chapter 8

Reading Week (13th – 17th October)

Week 7 (20th – 24th October)

Topic: Midterm and Midterm Revision

Week 8 (27th – 31st October)

Topic: Investments in Noncurrent Operating Assets - Acquisition

Reading: Chapter 10

Week 9 (3rd – 7th November)

Topic: Investments in Noncurrent Operating Assets – Utilization & Retirement

Reading: Chapter 11

Week 10 (10th – 14th November)

Topic: Investments in Debt & Equity Securities

Reading: Chapter 14

Week 11 (17th – 21st November)

Topic: Earnings Management

Reading: Chapter 6

Week 12 (24th November – 28th November)

Topic: Revision % discussion of final exam.

Tutorial Work

Note: Tutorial work is to be attempted prior to attending class. Extra questions, problems and materials may be added where appropriate for enhancing students' learning.

Tutorial 1

Questions: 1-4, 1-6, 1-18; 2-7, 2-14 Problems: 2-35 Cases: 1-10

Tutorial 2

Tutorial 3

Questions: 3-4, 3-9 Problems: 3-39 Cases: 3-58

Tutorial 4

Questions: 4-9; Problems: 4-40 Cases: 4-54, 4-64

Tutorial 5

Questions: 5-1, 5-3 Problems: 5-44 Cases: 5-56

Tutorial 6

Revision Work

Tutorial 7

Questions: 8-1, 8-14 Problems: 8-42 Cases: 8-56

Tutorial 8

Questions: 9-2, 9-15 Problems: 9-69 Cases: 9-91

Tutorial 9

Questions: 10-3, 10-16 Problems: 10-49 Cases: 10-68

Tutorial 10

Questions: 11-1, 11-2 Problems: 11-50 Cases: 11-71, 11-76

Tutorial 11

Questions: 14-1, 14-10 Problems: 14-51 Cases: 14-65

Tutorial 12

Questions: 6-1, 6-10, 6-17 Cases: 6-2, 6-7