

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

School of Business

**BUSI0020—Intermediate Accounting II
Course Outline for Semester 1 of 2008/09**

I. COURSE INFORMATION

Instructor and Tutor

Instructor: Dr. Zemin Lu	Tutor:	To Be Filled
Email: zmlu@business.hku.hk	Email:	To Be Filled
Office: Rm. 406E, Meng Wah	Office:	To Be Filled
Telephone: 2219 4215	Telephone:	To Be Filled
Office Hours: 2:30-4:00 pm Tue. & Thu. or by appointment		

Prerequisite

BUSI0019-Intermediate Accounting I

Textbook

Stice, E.K., Stice, J.D. and Skousen, K.F., Intermediate Accounting (16th edition), South-Western College Publishing, Ohio 2007.

References

Hong Kong Financial Reporting Standards, on www.hkicpa.org.hk (Volume II of HKICPA e-handbook)

II. COURSE DESCRIPTION

This course is a continuation of Intermediate Accounting I, and will cover such topics as debt financing, equity accounting, income taxes, leasing, dilutive securities and earnings per share calculation, derivatives and hedging activities. In the course students will learn about the accounting practices in these corporate activities, and to make sense of accounting information concerning these activities, however such information may be presented. The course is also designed to make students think critically about the theoretical issues in these fields of accounting, such as the major controversies surrounding, and the rationale of, the relevant accounting standards. In the few aspects where the practice of Hong Kong differs from that as given in the textbook, students will be referred to additional sources to learn and think about the differences.

III. COURSE OBJECTIVES

1. To consolidate the concepts and principles of financial accounting previously learned with applications in more areas of accounting practice.
2. To prepare students to handle typical accounting problems in the few special areas covered in the course.

3. To develop students' critical thinking in relation to these areas of accounting, especially how accounting choices may be made differently.
4. To develop students' skill in making use of accounting information for common decision-making purposes.

IV. INTENDED LEARNING OUTCOMES (ILOs)

On completion of this course, students will be able to:

- ILO1:* Describe the rationale for the accounting choices made in the few areas of corporate reporting and accounting practices covered in the course.
- ILO2:* Apply the accounting treatments learned for the preparation of accounting information concerning the corporate activities covered in the course or required by the relevant accounting standards.
- ILO3:* Analyze accounting information concerning the corporate activities covered for such purposes as performance evaluation and credit analysis.
- ILO4:* Describe major alternative accounting treatments in the technical areas covered, and assess the effects of their application.
- ILO5:* Know the major controversies surrounding the accounting issues covered, and the major factors that influenced the development the accounting practice.
- ILO6:* Demonstrate progress in communication skills.

V. ALIGNMENTS OF PROGRAM AND COURSE ILOs

Program ILOs	Course ILOs
1. Acquisition and internalization of knowledge of accounting, business and economics	ILOs 1 & 2 & 3
2. Application and integration of knowledge	ILOs 2 & 3 & 4
3. Inculcating professionalism and leadership	ILOs 4 & 5 & 6
4. Mastering communication skills	ILOs 6

VI. TEACHING AND LEARNING ACTIVITIES (TLAs)

TLA1— Interactive Lectures :

- Lectures are mainly used on explaining major issues, concepts and techniques through PowerPoint presentation. In order for the lecture to be interactive for better learning results, some of the lecture time is also given to the following
- In-class exercises: basic concepts and techniques are illustrated using examples. Students work through in-class exercises along with the lecturer. These exercises help students follow the lectures closely and actively.
- In-class discussions: students are encouraged to raise questions, participate in discussions and share opinions with lecturer and classmates. These discussions encourage students to think more for certain arguable topics.

Major focus: ILOs 1, 2, 4 & 5

TLA2—Tutorials :

- Weekly tutorials are mainly used for the discussion of practice questions and selected assignments. Students are expected to actively participate in the discussions.
- Students should complete assigned homework individually before each tutorial session. The assignments are chosen or designed to help students digest the learned materials on a timely basis.

Major focus: ILOs 2, 3 & 4

TLA3— Group Case Analysis and Presentation

- Groups with about five students each will be formed by 18 July. You may form the group on your own, or choose to have a group formed for you. If you like to have a chance to work with classmates you do not know well before, we encourage you to take the latter option. If you take the former, you must inform the instructor by email on or before 17 July detailing the name and UID of each member. If you are not named in such emails, that means you take the latter option, and we will form a group for you by random matching.
- Each group will be assigned a case by random draw to analyze and present. Your case presentation is an important part of the learning process for all in the class. In the course of 20 minutes, you should present a brief summary of the case background, the main issues, your solution of the case, and the lessons learned. An outline of your presentation, with supporting calculations if applicable, should be submitted to the instructor as email attachment at least 24 hours before your presentation.
- Evaluating the presentation: the non-presenting groups will participate in the evaluation of the presenting group by completing an evaluation form after the presentation. This is part of the group activity and should be done after full discussion among group members.

Major focus: ILOs 2, 3, 4 & 6.

VII. ASSESSMENT TASKS/ACTIVITIES (ATs)

AT1: Assignments, tutorial attendance & participation	10%
AT2: Lecture attendance and participation	5%
AT3: Group case analysis and presentation	15%
AT4: Mid-term test	20%
<u>AT5: Final examination</u>	<u>50%</u>
Total	100%

AT1&2— Attendance, participation, and assignments

Students are expected to attend and participate actively in lectures and tutorials. Note, attendance does not count as participation if a student merely sits quietly in the class. Questions or problems will be assigned each week for the following week's tutorial. Some of the assignments will be collected and graded and counted toward this component of assessment.

AT3—Group Case Analysis and Presentation

Group presentation will be evaluated based on four criteria: clarity of presentation, effective use of learning aids, correctness of solution or content, inspiration of interest from audience. The grade will be determined from both the impression of the lecturer and the input from other groups' evaluation and comments.

AT4&5— The Test and Examination

A one-and-half-hour close-book mid-term examination will be held at the regular class meeting time in the 8th week. A two-hour close-book final examination will be held as scheduled by the university. No make-up examination will be offered for either.

VIII. ACADEMIC CONDUCT

- a) The university regulations on academic dishonesty and copyright violations will be strictly enforced. Students should read the chapters on “Plagiarism” and “Copyright” in the Undergraduate/Postgraduate Handbook for details, and also the booklet entitled “What is Plagiarism” which was distributed to them upon admission into the University. Alternatively students may visit the website www.hku.hk/plagiarism.
- b) The general principle to be observed is that each student should behave respectfully and with consideration to teachers and fellow students in all matters related to the course. Students are required to attend all lectures and tutorials. The principle aforementioned implies, but is not restricted to, that students should make every effort to arrive in class on time. Prior notification from students is required if unable to attend.

IX. TEMPORARY COURSE SCHEDULE

WEEK # (Dates for lectures)	Topic	Tutorials
Week 1	Ch 10: Debt financing	No tutorial
Week 2	Ch 10: Debt financing (cont'd) Ch 11: Equity Financing	Q 10-7; Appendix B.
Week 3	Ch 11: Equity financing (cont'd)	Q 10-19; E 10-12, 31, 37; Case 10-65.
Week 4	Ch 15: Leases	Q 11-17; E 11-25, 29, 47; Case 11-66.
Week 5	Ch 15: Leases (cont'd) Ch 16: Income taxes	Q 15-14; E 15-21, 26, 27, 51.
Week 6	Ch 16: Income taxes (cont'd)	E 15-33, 53; E 16-2, 23, 24
Week 7	Ch 17: Pension	E 16-19,44; Additional Exercise A1, A2.
Week 8	Mid-term examination	No tutorial
Week 9	Ch 17: Pension (cont'd)	E 17-8, 9, 10; Additional Exercise B1
Week 10	Ch 18: Derivatives and hedging	E 17-30, 35, 46, 54.
Week 11	Ch 19: Earnings Per Share	Q 18-8, 13; E 18-15, 27, 28; Additional Exercise C1, C2.
Week 12	Ch 20: Accounting changes	E 19-20, 25, 33, 41.

* Any subsequent change will be announced in class and posted in WebCT.