



The University of Hong Kong
Faculty of Business and Economics
School of Business
Course Syllabus and Outline
BUSI 1002G,H,I, Introduction to Accounting
Semester I, 2008/09

I. COURSE INFORMATION

Course Name: Introduction to accounting

Prerequisite: Nil

Textbook: J.R. Williams, S.F. Haka, M.S. Bettner, J.V. Carcello, Financial Accounting, 13th edition, 2008, McGraw-Hill International Edition.

Handouts: Available from WebCT

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II. COURSE DESCRIPTIONS

The purpose of this course is to introduce students to the concepts of financial accounting and its underlying assumptions. This introductory accounting course assumes no prior academic knowledge of accounting and is designed for both accounting and non-accounting majors. We will discuss how to prepare and how to use financial statements. We will also talk about the limitations of financial statements. The presentation will consist of moderately technical expositions of concepts and material. Throughout the course we will illustrate applications of accounting principles with real examples.

III. COURSE OBJECTIVES

1. Provide students with basic concepts and principles of financial accounting;
2. Help students comprehend the framework of accounting theory, the basic accounting cycle, and financial statement preparation;
3. Develop students' ability to use financial accounting information in different decision-making scenarios;
4. Summarize the basic nature of the accounting profession;
5. Develop students' awareness of ethical issues in financial reporting.

IV. INTENDED LEARNING OUTCOMES (ILOs)

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

- ILO1.* Describe the basic accounting concepts and principles used in preparing the financial statements;
- ILO2.* Explain, identify, classify, measure, record and report financial information;
- ILO3.* Prepare and report public companies' financial statements: Balance Sheet, Income Statement and Cash Flow Statement;
- ILO4.* Employ analysis and application skills in using the financial information to make business decisions;
- ILO5.* Identify and evaluate the ethical dilemmas in financial reporting;
- ILO6.* Demonstrate effective 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 3 & 4
3. Inculcating professionalism and leadership	ILOs 4 & 5 & 6
4. Mastering communication skills	ILO 6

VI. TEACHING AND LEARNING ACTIVITIES (TLAs)

TLA1. Situation: Interactive lectures

- Lectures: basic knowledge of financial accounting is presented with PowerPoint slides.
- 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 their peers. These discussions encourage students to think more for certain arguable topics.
- Small case analyses: Students are required to form groups to analyze and present small cases. The assigned cases have a broad coverage, including applications of accounting knowledge to real-life situations, discussions of controversial issues in standard setting, discussions of ethical issues. These practices help students improve critical thinking abilities and research skills.

Major focus: ILOs 1, 2, 3, 4, 5 & 6.

TLA2. Situation: Tutorials

Practice questions and selective assignments are covered.

- Weekly tutorial assignments: students are required to complete assigned homework before each tutorial session on an individual basis. Practices are especially important for the introductory accounting course. The assignments help students better understand the concepts and techniques learned in class.
- In-class interactive activities: students are required to actively participate in-class exercises and discussion.

Major focus: ILOs 1, 2, 3.

TLA3. Situation: Group project and outside-classroom activities

- Group discussions: students are divided into groups to finish the group project. Each group will choose one company they are interested in and analyze the financial statements. Students are required to apply their knowledge learned from this course to evaluate this company for its short term and long term profitability, liquidity, solvency, etc. Group members meet to discuss the case, work on the case as a team and contribute jointly to the written report for timely submission.
- Lecturer and tutor consultations: each lecturer (tutor) provides 3 (4) hours of consultation weekly to address students' questions and doubts related to the course.

Major focus: ILOs 3 and 4.

VII. ASSESSMENT TASKS/ACTIVITIES (ATs)

Attendance, assignments and in-class participation	10%
Small case analysis	5%
Quizzes and mid-term exam	25%
Group project	10%
<u>Final examination</u>	<u>50%</u>
Total	100%

AT1. Attendance and Assignments (10%)

Students are expected to attend and participate actively in lectures and tutorials. Quietly sitting in the tutorials does not count, but of course absenteeism from class will negatively affect the performance. Students are also required to attempt selected assignments. Participation and assignments are evaluated per student by the demonstrator. The objective of the tutorials is to help students digest and apply the knowledge they have learned from the classes.

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, 3, 4 and 5.	Extremely well prepared for class discussion, active in	Partially prepared for class discussion, quite active in	Not well prepared for class discussion, limited active	Not well prepared for class discussion, no sharing of	Never prepared for class discussion and no sharing of

	sharing views and attended at least 90% of classes	sharing views and attended at least 80% of classes	in sharing views and attended at least 70% of classes	views and attended at least 60% of classes	views and experience and attended less than 50% of classes
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AT2. Small Case Analysis (5%)

Small case analysis will be prepared on a group basis (five or six members in each group). Students should form groups in the same tutorial. Each group is responsible to make 10-minute presentation in the tutorial session on one of the cases selected from the textbook. Cases will be assigned on a random draw basis. The date for the case presentation is shown on the attached “tutorials and assignments”. For those cases that involve a *BusinessWeek* article, students should read the article. The objective of the small case analysis is to help students apply the knowledge into real-life situations and improve communication skills.

Focus: ILOs **4, 5 and 6.**

Grading Criteria

Grade	Depth and breadth of coverage, critical elements, structure, language and conventions
A+, A, A-	<p>The presentation was highly successful at communicating the essential elements of the topic to the audience.</p> <p>Concepts were thoroughly explained and clarified.</p> <p>The presentation demonstrated deep understanding and comprehension of the topic.</p> <p>There was clear evidence of independent thought and reflection on the topic.</p> <p>The topic was covered in a highly professional and organized manner.</p> <p>The presenter displayed excellent verbal skills and delivered a highly interesting, coherent presentation at an appropriate level for the audience.</p>
B+, B, B-	<p>The presentation was successful at communicating the essential elements of the topic to the audience.</p> <p>Most concepts were well explained and clarified.</p> <p>The presentation demonstrated sound understanding and comprehension of most aspects of the topic.</p> <p>The topic was covered in a professional and organized manner.</p> <p>The presenter displayed good verbal skills and mostly delivered an interesting, coherent presentation at an appropriate level for the audience.</p>
C+, C, C-	<p>The presentation adequately communicated most of the essential elements of the topic to the audience.</p> <p>Most concepts were adequately explained.</p> <p>The presentation demonstrated good understanding and comprehension of</p>

	<p>most aspects of the topic.</p> <p>The topic was covered in an organized manner.</p> <p>The presenter displayed adequate verbal skills and mostly delivered a coherent presentation at an appropriate level for the audience.</p>
D+, D	<p>The presentation basically covered the main aspects of the topic.</p> <p>The presentation demonstrated basic understanding and comprehension of most of the topic.</p> <p>The topic was covered in a basic manner.</p> <p>The presenter displayed minimal standards of verbal skills and or coherence and organization.</p>
F Fail	<p>The presentation was poorly addressed and or concepts were inadequately explained.</p> <p>The presentation did not demonstrate sufficient understanding and comprehension of the topic.</p> <p>The topic was not covered acceptably and or was poorly organized.</p> <p>Verbal skills were inadequate.</p>

AT3. Quizzes and Mid-term Exam (25%)

Two quizzes will be held in class and **one mid-term exam will be on October 28**. The tests are part of continuous assessment. Since the subject is quite logical, one week builds into the next week. A regular assessment urges students to digest the knowledge on a timely basis. The higher quiz score will be used to determine your grades.

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, and 3.	<p>Provided accurate solutions to all problems, gave detailed and insightful responses to essay questions and scored correctly on more than 90% of the multiple choice questions</p>	<p>Provided accurate solutions to some problems, gave detailed responses to some essay questions and scored correctly on less than 90% of the multiple choice questions</p>	<p>Provided accurate solutions to a few problems, gave limited responses to some essay questions and scored correctly on less than 80% of the multiple choice questions</p>	<p>Provided inaccurate solutions to a few problems, gave unclear responses to most essay questions and scored correctly on less than 70% of the multiple choice questions</p>	<p>Skipped some problems or provided inaccurate solutions to most problems, gave poor responses to most essay questions and scored correctly on less than 60% of the multiple choice questions</p>

AT4. Group Project (10%)

Students are required to identify a public company and perform financial analysis on its financial performance such that investment and lending decisions can be formulated. Students could use tools of analysis introduced in the textbook (especially Chapter 14). Details of requirements will be given later.

Focus: ILOs **3, 4 and 6.**

Grading Criteria

Grade	Depth and breadth of Coverage, critical elements, structure, language and conventions
A+,A, A-	<p>All aspects were addressed and researched in great depth.</p> <p>Demonstrated a clear understanding of and the ability to apply the theory, concepts and issues relating to the topic.</p> <p>Clearly identified the most critical aspects of the task and adopted a critical perspective.</p> <p>Developed excellent argument and offered a logically consistent and well-articulated analysis and insight into the subject.</p> <p>Drew widely from the academic literature and elsewhere whilst maintaining relevance.</p> <p>All aspects conformed to a high academic / professional standard.</p>
B+, B, B-	<p>Most aspects were addressed and researched in depth.</p> <p>Demonstrated a good understanding and some application of the theory and issues relating to the topic.</p> <p>Identified critical aspects of the task and adopted a critical perspective.</p> <p>Showed some evidence of analysis, supported by logical argument and insight into the subject.</p> <p>Drew on relevant academic and other material.</p> <p>Most aspects conformed to a high academic / professional standard.</p>
C+, C, C-	<p>Most aspects were addressed and researched adequately.</p> <p>Demonstrated a good understanding of the theory, concepts and issues relating to the topic but limited application relating to the topic.</p> <p>Some presented argument showed some insight but not always consistent and logical.</p> <p>Drew upon an adequate range of academic and other material.</p> <p>Most aspects conformed to an acceptable academic / professional standard.</p>
D+, D	<p>Basic aspects were addressed and researched adequately.</p> <p>Demonstrated mainly description, showing basic understanding of the topic but no application.</p> <p>Showed little evidence of analysis but no clear and logical argument relating to the subject.</p>

	Drew primarily upon course materials. Limited aspects conformed to academic / professional standards.
F Fail	Basic aspects were superficial, inadequate or absent. Demonstrated limited understanding of the topic and drew conclusions unrelated to the topic. The written work was not of an academic / professional standard.

AT5. Final Exam (50%)

The final examination will be held in the normal exam period. It is a closed book comprehensive examination which covers all the chapters on the course syllabus. With the exception of extremely special cases, NO MAKEUP test will be allowed if students fail to seek ADVANCE permission from the instructor. The objective of the final exam is to further enhance students' understanding of the basic concepts and theories and develop their ability to apply the knowledge in business situations.

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, 3, 4, 5 and 6.	Provided accurate solutions to all problems, gave detailed and insightful responses to essay questions and scored correctly on more than 90% of the multiple choice questions	Provided accurate solutions to some problems, gave detailed responses to some essay questions and scored correctly on less than 90% of the multiple choice questions	Provided accurate solutions to a few problems, gave limited responses to some essay questions and scored correctly on less than 80% of the multiple choice questions	Provided inaccurate solutions to a few problems, gave unclear responses to most essay questions and scored correctly on less than 70% of the multiple choice questions	Skipped some problems or provided inaccurate solutions to most problems, gave poor responses to most essay questions and scored correctly on less than 60% of the multiple choice questions

VIII. ACADEMIC CONDUCT

- a) Plagiarism and copying of copyright materials are serious offences and may lead to disciplinary actions. Students should read the chapters on "Plagiarism" and "Copyright" in the Undergraduate/Postgraduate Handbook for details. Students are strongly advised to read the booklet entitled "What is Plagiarism" which was distributed to them upon their 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.
- b) Students are required to attend all the lectures and tutorials on time. In case they cannot attend, they should inform the instructor beforehand.

IX. COURSE POLICY

Professionalism is part of accounting and is key to your career success. Your professional training begins at university. You are selected for this opportunity and you should make best out of it.

Classrooms are for learning. Lecturers and students must work together to make our classroom a better place to learn. You can help all of us by following a few simple rules. These rules are mostly just common sense and common courtesy. By following them, you show respect to your fellow students as well as to your lecturers.

ARRIVE AT CLASS ON TIME. When you come in late, you disrupt your class. As a general rule, if you are more than 10 minutes late, you should either attend another subclass of the same lecturer or enter the class very quietly.

ATTEND ALL CLASSES. You are expected to attend all classes, including tutorials.

STAY IN CLASS UNTIL IT IS FINISHED. If you know you have to leave early, ask the lecturer's permission before the class starts, unless it is an emergency.

DO NOT DISRUPT THE CLASS or distract your classmates - such as talking while the lecturer is speaking. *If you have a pager or cellular phone, turn it off when you are in class.*

If you have difficulty in understanding what a lecturer is saying, you might be tempted to consult your classmate beside you. Please do *not* do it. It will disrupt the class. Instead, raise your hand and just say 'Could you explain that again?' Or please consult your classmates or the lecturer after the class. You could also consult the lecturer during office hours.

PARTICIPATE IN THE CLASS. Asking questions to the lecturer is always encouraged. It is an important part of learning process. The lecturer will remember you favorably if you participate in the class actively.

MAINTAIN YOUR INTEGRITY. Assignments, tests and examinations are an integral part of the learning experience. Students who cheat disrupt this process. Please do not give in to the temptation to cheat.

You are investing several years of your life in your university education. Learning to accept responsibility is an important part of that education. The classroom is a good place to begin showing that you are ready for the responsibilities of being a mature person.

General: I strongly encourage you to discuss with me any problem that you may have with this course *as soon as it arises*. Please do not allow problems to accumulate because it will be more difficult to solve them later. In financial accounting course, each chapter builds on the previous chapter/s. It is like constructing a building – the foundation first, then the ground floor, then the first floor and so on. If you have problems in the earlier part/s, you will not be able to understand the later part/s.

Moreover, the level of difficulty increases as the course progresses. Hence, it is very important to be serious with your studies right from the beginning.

Accounting is a dynamic subject which is evolving rapidly in recent times. It is very important that you learn accounting by getting a good understanding of its basic concepts, principles and underlying logic as well as by actually doing problems. *Do not learn accounting mechanically. Learn accounting by doing it.*

IX. COURSE OUTLINE

Week	Topic	Reading
Week 1 (Sep 1 – Sep 6)	Accounting: Information for Decision Making	Ch. 1 Whole chapter
Week 2 (Sep 7 – Sep 13)	Basic Financial Statements	Ch. 2 Whole chapter
Week 3 (Sep 14 – Sep 20)	The Accounting Cycle: Capturing Economic Events	Ch. 3 Whole chapter
Week 4 (Sep 21 – Sep 27)	The Accounting Cycle: Accruals and Deferrals	Ch. 4 Whole chapter Case 4.3*
Week 5 (Sep 28 – Oct 4)	The Accounting Cycle: Reporting Financial Results	Ch. 5 Whole chapter
Week 6 (Oct 5 – Oct 11)	Merchandising Activities	Ch. 6 Whole chapter
Oct 12 – Oct 18	University Reading Week – No tutorials and lectures in that week	

Week 7 (Oct 19 – Oct 25)	Financial Assets	Ch. 7 Whole chapter except accounting for marketable securities (p. 301 – 303)
Weeks 8 (Oct 26 – Nov 1)	Inventories and the Cost of Goods Sold	Ch. 8 Whole chapter
Oct 28	Mid-term Exam 7:00pm to 8:30pm Venue: T2	Ch. 1 to Ch. 6
Week 9 (Nov 2 – Nov 8)	Plant and Intangible Assets	Ch. 9 Whole chapter except MACRS (p.406) Case 9.4*
Week 10 (Nov 9 – Nov 15)	Liabilities Stockholders' Equity: Paid-in Capital	Ch. 10 Whole chapter except payroll liabilities (p .441 - 442), parts of long-term liabilities (p. 447 - 458), and special type of liabilities (p. 464 – 467) Ch. 11 Whole chapter
Week 11 (Nov 16 – Nov 22)	Statement of Cash Flows	Ch. 13 Whole chapter except a worksheet for preparing a statement of cash flows (p. 594 – 598)
Week 12 (Nov 23 – Nov 29)	Financial Statement Analysis	Ch. 14 Whole chapter Case 14.3*

* Denotes lecture cases that consider ethical issues within accounting

XI. TUTORIALS AND ASSIGNMENTS

Tutorial	Chapter	Discussion	Assignment	Small Case Analysis
Week 1 (Sept 1 – Sept 6)		Lectures only. No tutorials in that week.	--	
Week 2 (Sept 7 – Sept 13)	Ch. 1	<i>Discussion Questions:</i> 3, 5, 10, 15, 17, 27 <i>Exercises:</i> 1.7, 1.14*, 1.16	--	
Week 3 (Sept 14 – Sept 20)	Ch. 2	<i>Exercises:</i> 2.2, 2.6, 2.13	<i>Problems:</i> 2.6A, 2.10A Optional Question <i>Problem:</i> 2.9A	<i>Case</i> 2.5*
Week 4 (Sept 21 – Sept 27)	Ch. 3	<i>Brief Exercises:</i> 3.2, 3.7, 3.8 <i>Exercises:</i> 3.1, 3.6	<i>Problems:</i> 3.2A, 3.4A Optional Question <i>Problem:</i> 3.5A	<i>Case</i> 3.2*
Week 5 (Sept 28 – Oct 4)	Ch. 4	<i>Brief Exercise:</i> 4.10 <i>Exercises:</i> 4.3, 4.6, 4.7 (except 2.)	<i>Problems:</i> 4.1A (except 4.), 4.4A (except 2, 3, instruction b.) Optional Question <i>Problem:</i> 4.3A (except 1., instruction a1., b1.)	
Week 6 (Oct 5 – Oct 11)	Ch. 5	<i>Exercises:</i> 5.2, 5.4c, 5.9a, 5.14	<i>Problems:</i> 5.3A(a, d, and e only), 5.5A(a – journal entries only, b, e, f, and h) <i>Case:</i> 5.1	
Oct 12 – Oct 18 University Reading Week – No tutorials and lectures in that week				
Week 7 (Oct 19 – Oct 25)	Ch. 6	<i>Exercise:</i> 6.4, 6.7 <i>Problem:</i> 6.1A	<i>Problems:</i> 6.2A, 6.8A <i>Case:</i> 6.1 Optional Question <i>Problem:</i> 6.5A	<i>Case:</i> 6.4*

Week 8 (Oct 26 – Nov 1)	Ch. 7	<i>Brief Exercise:</i> 7.7 <i>Exercises:</i> 7.8, 7.14	<i>Problems:</i> 7.3A, 7.4A	<i>Case:</i> 7.3*
Week 9 (Nov 2 – Nov 8)	Ch. 8	<i>Brief Exercise:</i> 8.1, 8.2 <i>Exercises:</i> 8.6, 8.9, 8.10, 8.13	<i>Problems:</i> 8.2A (a2 and 3, b1-3), 8.4A (a2, b, and c)	
Week 10 (Nov 9 – Nov 15)	Ch. 9	<i>Exercises:</i> 9.2, 9.4, 9.6	<i>Problems:</i> 9.3A, 9.4A	
Week 11 (Nov 16 – Nov 22)	Chs. 10 & 11	<i>Exercises:</i> 10.15 (a & b only) 11.3, 11.4	<i>Problems:</i> 10.3A 11.4A, 11.6A (a to f only) Optional Questions <i>Problems:</i> 11.3A, 11.5A	<i>Case:</i> 10.3
Week 12 (Nov 23 – Nov 29)	Chs. 13 & 14	<i>Exercises:</i> 13.2, 13.9 (except c) 14.6, 14.12	<i>Problems:</i> 13.3A, 13.5A 14.7A, 14.9A Optional Questions <i>Problems:</i> 14.5A	

* Denotes assignments that consider ethical issues within accounting