



The University of Hong Kong
Faculty of Business and Economics
School of Business
Course Syllabus and Outline
BUSI 1002O & P Introduction to Accounting
Semester II, 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.

Textbook Supporting Website: www.mhhe.com/williamsfinancial13e

Instructor and Tutor

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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.
- In-class practical challenge: a MC quiz is to be completed in small groups at the end of each chapter taught in the lectures. These enable students to check their understanding of the chapter that has just been covered and allow them to pinpoint the areas, which they need to pay more attention to.
- 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 participate actively in 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 term tests | 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 |
|--|--|--|---|--|--|

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> |

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|-----------|--|
| | <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 Term Test (25%)

Two quizzes and one term test will be held in class. 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.

Grading Criteria

| ILO | A+ A A- | B+ B B- | C+ C C- | D+ D | F |
|---------------------------------|---|--|--|--|---|
| ILOs 1, 2, and 3. | 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 |

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 OUTLINE

| Week | Topic | Reading |
|---|--|---|
| Week 1 (Jan 12 – Jan 17) | Accounting: Information for Decision Making | Ch. 1 Whole chapter |
| Week 2 (Jan 19 – Jan 24) | Basic Financial Statements | Ch. 2 Whole chapter |
| Jan 26 – Jan 31 Chinese New Year Holidays - No tutorials and lectures in that week | | |
| Week 3 (Feb 2 – Feb 7) | The Accounting Cycle: Capturing Economic Events | Ch. 3 Whole chapter |
| Week 4 (Feb 9 – Feb 14) | The Accounting Cycle: Accruals and Deferrals | Ch. 4 Whole chapter Case 4.3* |
| Week 5 (Feb 16 – Feb 21) | The Accounting Cycle: Reporting Financial Results | Ch. 5 Whole chapter |
| Week 6 (Feb 23 – Feb 28) | Merchandising Activities | Ch. 6 Whole chapter |
| Mar 2 – Mar 7 University Reading Week – No tutorials and lectures in that week | | |
| Week 7 (Mar 9 – Mar 14) | Financial Assets | Ch. 7 Whole chapter except accounting for marketable securities (p. 301 – 303) |
| Weeks 8 (Mar 16 – Mar 21) | Inventories and the Cost of Goods Sold | Ch. 8 Whole chapter |
| Week 9 (Mar 23 – Mar 28) | Plant and Intangible Assets | Ch. 9 Whole chapter except MACRS (p.406) Case 9.4* |
| Week 10 (Mar 30 – Apr 4) | 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 (Apr 6 & Apr 14 – Apr 18) | Statement of Cash Flows | Ch. 13 Whole chapter except a worksheet for preparing a statement of cash flows (p. 594 – 598) |
| Apr 7 – Apr 13 Easter Holidays | | |
| Week 12 (Apr 20 – Apr 25) | Financial Statement Analysis | Ch. 14 Whole chapter Case 14.3* |

* Denotes assignments that consider ethical issues within accounting

X. TUTORIALS AND ASSIGNMENTS

| Tutorial | Chapter | Discussion | Assignment | Small Case Analysis |
|--|---------|---|--|---------------------|
| Week 1 (Jan 12 – Jan 17) | | Lectures only. No tutorials in that week. | -- | |
| Week 2 (Jan 19 – Jan 24) | Ch. 1 | <i>Discussion Questions:</i> 3, 5, 10, 15, 17, 27 <i>Exercises:</i> 1.7, 1.14*, 1.16 | -- | |
| Week 3 (Feb 2 – Feb 7) | 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 (Feb 9 – Feb 14) | 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 (Feb 16 – Feb 21) | Ch. 4 | <i>Brief Exercise:</i> 4.10 <i>Exercises:</i> 4.3, 4.6, 4.7 | <i>Problems:</i> 4.1A, 4.4A Optional Question <i>Problem:</i> 4.3A | |
| Week 6 (Feb 23 – Feb 28) | Ch. 5 | <i>Exercises:</i> 5.2, 5.4, 5.9, 5.14 | <i>Problems:</i> 5.3A, 5.4A <i>Case:</i> 5.1 Optional Question <i>Problem:</i> 5.5A | |
| Oct 12 – Oct 18 University Reading Week – No tutorials and lectures in that week | | | | |

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|---|-----------------|---|---|----------------------|
| Week 7 (Mar 9 – Mar 14) | 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* |
| Weeks 8 (Mar 16 – Mar 21) | Ch. 7 | <i>Brief Exercise:</i> 7.7 <i>Exercises:</i> 7.2, 7.5, 7.8 | <i>Problems:</i> 7.1A, 7.3A Optional Question <i>Problem:</i> 7.4A | <i>Case:</i> 7.3* |
| Week 9 (Mar 23 – Mar 28) | Ch. 8 | <i>Exercises:</i> 8.6, 8.7, 8.9, 8.10, 8.13 | <i>Problems:</i> 8.2A, 8.3A Optional Question <i>Problem:</i> 8.4A | |
| Week 10 (Mar 30 – Apr 4) | Ch. 9 | <i>Exercises:</i> 9.2, 9.4, 9.6, 9.8 | <i>Problems:</i> 9.3A, 9.4A, 9.6A | |
| Week 11 (Apr 6 & Apr 14 – Apr 18) | 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 (Apr 20 – Apr 25) | Chs. 13 & 14 | <i>Exercises:</i> 13.2, 13.4 14.6, 14.12 | <i>Problems:</i> 13.1A 14.7A, 14.9A Optional Questions <i>Problems:</i> 13.3A 14.5A | |

* Denotes assignments that consider ethical issues within accounting