

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

School of Business
Course Code BUSI 0025A
Intermediate Accounting for Non-Accounting Majors

I. Information on Instructor and Tutor

Instructor: Dr. Patrick J. Harvey

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Office: Cubicle 730 Meng Wah Complex

Phone: 3962-1473

Consultation times: 4:00 to 6:00 p.m. Tues, 4:00 to 5:00 Thurs

Tutor: To be announced

Pre-requisites: **BUSI1002 Introductory Accounting**

Textbook: IFRS Practical Implementation Guide and Workbook, Second Edition by Abbas Ali Mirza, Magnus Orrell, and Graham J. Holt, published by Wiley copyright 2008.

II. Course Description and Objectives

Intermediate Accounting for Nonaccounting Majors is an exposure to certain topics in intermediate financial accounting that are particularly important to those not pursuing an accounting degree. [Accounting majors will actually take two courses, containing more material than this course]. Your introductory accounting course gave you an overview of the primary financial statements and the accounting principles used in preparation of these statements. In this intermediate accounting course, students are expected to develop a broad understanding of (1) the environment, the standard setting process, and the conceptual framework underlying financial reporting and (2) the key procedures used for the financial statements including complex topics such as revenue recognition and asset valuation.

Our primary focus will be on International Accounting Standards (IAS) for at least two reasons. First, since 1993, IAS has been the basis for all new standards adopted in Hong Kong. (Since 2005 it is the required reporting standards, as codified by the HKICPA) In addition, IAS is providing the framework for the development of accounting standards in China. However, the important features of U.S. GAAP will also be discussed when appropriate.

■ Course objectives

1. Provide interested undergraduate students with a deeper base of knowledge of accounting and its relationship with other disciplines, to enhance career opportunities.
2. Provide students, upon successful completion of the course, an understanding of how financial statements are produced and the influence of management over the representations made. This will allow better comprehension of the process of applying for/granting credit, approving sales, valuing assets, recognizing liabilities, and making estimates of expenses that directly affect financial results.
3. Provide students with a grounding in the meaning and calculation of commonly used financial metrics such as earnings per share and related concepts.

III. Learning Outcomes

Intended Learning Outcomes (ILOs): On completion of this course, you should be able to:

- 1) **ILO1.** Learn the concepts and theories of financial accounting, and the issues and controversies

surrounding, and the rationale of, the relevant accounting standards.

- 2) **ILO2.** Analyse controversial accounting issues and complex accounting transactions.
- 3) **ILO3.** Assess the effects of alternative accounting policies on financial statements.
- 4) **ILO4.** Apply relevant accounting information in making business decisions.
- 5) **ILO5.** Develop skills in analysing, synthesizing, writing and presenting financial accounting cases as well as team working skill.

IV. Alignment of Program and Course Outcomes

Program ILOs	Course ILOs
1. Acquisition and internalization of knowledge of accounting, business and economics	ILO1, ILO2, ILO3
2. <u>Application and integration of knowledge</u>	ILO2, ILO3, ILO4
3. Inculcating professionalism and leadership	ILO3, ILO4
4. <u>Developing global outlook</u>	ILO1, ILO2, ILO4
5. Mastering communication skills	ILO3, ILO4, ILO5

V. Teaching and Learning Activities

TLA1. Situation: Interactive Lectures

- Lecture on major concepts and issues: Interactive lectures with PowerPoint slides are conducted with the lecturer explaining and illustrating the concepts. Students will be invited to share their views in applying the concepts.
- In-class exercises: Basic concepts and techniques are illustrated using examples. Students work along with the lecturer to solve the problems. These exercises help students follow the lectures closely and actively.
- In-class discussion: Sometimes discussion questions will be raised by the lecturer. Students are encouraged to participate in discussions and share views with their peers. These discussions encourage students to think more for certain arguable topics.

Major focus: ILOs 1, 2, 3 and 4

TLA2. Situation: Tutorials

- The one-hour tutorial will review select weekly assignments and elicit your answers on them. In addition, a portion of the tutorial will be spent on review of key concepts and techniques presented in the previous week's lecture.

Major focus: ILOs 1 and 2

TLA5. Situation: In-Class Participation

- It is necessary for each individual to participate in other in-class activities, e.g., raising questions and making comments during the lecture and responding to instructor queries and related discussion topics.

Major focus: ILO 5

TLA6. Situation: Outside-Classroom Activities

- Group discussions: Class members are encouraged to meet informally to discuss the practice problems, to better prepare for class and better comprehend the material.

- Lecturer and tutor consultations: I have scheduled 3 consultation hours weekly to address students' questions and concerns related to the course. A tutor is also available for consultations. The tutor's consultation hours will be announced.

Major focus: ILO 5

VI. Assessment

Midterm Exam	45%
Final Exam	45%
Class Participation	<u>10%</u>
	<u>100%</u>

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, 3, 4 and 5	Very good to excellent ratings on some or all three criteria.	Good to very good ratings on some or all three criteria.	Fair to good ratings on some or all three criteria.	Fair ratings on all three criteria.	Fail to prepare and present the case.

VII. Standards for assessment

The criteria for assessment will be based in large part on the performance on the examinations with respect to the performance of the class as a whole. The criteria for assessment on class participation will be based on the willingness and effort of the student to thoughtfully respond to in-class enquiries. A "perfect" response is not expected nor required to obtain full marks, but obviously, if a student is absent from the class, they cannot receive full marks for participation. All students will have multiple opportunities for participation, so infrequent absences will not be penalized, and full marks can be obtained by any student with normal positive attendance patterns.

VIII. Academic Conduct

Class Conduct

Respect your instructor and your fellow students. Be considerate to others.

Students are required to attend all classes (Lecture and Tutorial Sessions) *on time* and should not enter the classroom 15 minutes after the class scheduled starting time. If you have to leave the class early, please inform the instructor before the class begins. Please sit near the door and exit quietly. If you fail to inform the instructor before you leave, no credit will be given for your class attendance.

Students are encouraged to ask questions and to participate in the class as well as in the tutorials. At the same time, maintaining discipline is of utmost importance in this course. Please observe the following class rules when the class is in session:

1. Do not talk to your fellow students.
2. Do not read newspaper or magazine.
3. Do not use your hand phone (please turn off your hand phone).
4. Do not eat or drink in class.
5. Do not leave the class without permission.

Any violation of these class rules will be subject to point reduction (e.g., 1 point for each violation) and possible dismissal from the class.

Academic Dishonesty

The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>

Academic dishonesty is behaviour in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following types of cases:

- **Plagiarism** - The representation of someone else's ideas as if they are one's own. Where the arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one's own work. Paraphrasing of someone else's ideas is still using someone else's ideas, and must be acknowledged.
- **Unauthorized Collaboration on Out-of-Class Projects** - The representation of work as solely one's own when in fact it is the result of a joint effort.
- **Cheating on Exams** - The covert gathering of information from other students, the use of unauthorized notes, unauthorized aids, etc.

If you are caught in an act of academic dishonesty or misconduct, you will receive an F' grade for the subject.

IX. Course Schedule *Subject to change as necessary, if deemed by instructor*

Schedule of Lectures.

Date	Reading Assignment	Homework Problems
Lecture 1	Accounting Overview	No homework assignment
Lecture 2	Accounting Overview, concluded	No homework assignment
Lecture 3	Chapter 1, 2, 3 <u>lightly</u> read, do not memorize	No homework assignment
Lecture 4	Revenue Recognition	Chapter 13 All 'Case Studies'
Lecture 5	Revenue Recognition	Chapter 8 Case Study 3 and 4
Lecture 6	PP&E Chapter 11	Both Case Studies, plus MC questions
Lecture 7	PP&E Chapter 11	Both Case Studies, plus MC questions
Lecture 8	PP&E Chapter 11	Both Case Studies, plus MC questions
Lecture 9	Intangibles, Chapter 30	All 'Case Studies'

Lecture 10	Intangibles, Chapter 30	All 'Case Studies'
Lecture 11	Provisions, etc. Chapter 29	All 'Case Studies'
Lecture 12	Provisions, etc. Chapter 29	All 'Case Studies'
Lecture 13	EXAMINATION	
Lecture 14	LT Debt notes to lecture	notes to lecture
Lecture 15	LT Debt notes to lecture	notes to lecture
Lecture 16	Leases Chapter 12	Case Studies 1 – 4
Lecture 17	Leases Chapter 12	Case Studies 1 – 4
Lecture 18	Cash Flow Chapter 5	All 'Case Studies'
Lecture 19	Cash Flow Chapter 5	All 'Case Studies'
Lecture 20	Cash Flow Chapter 5	All 'Case Studies'
Lecture 21	EPS Chapter 26	Case Studies 1 – 4, notes
Lecture 22	EPS Chapter 26	Case Studies 1 – 4, notes
Lecture 23	EPS Chapter 26	Case Studies 1 – 4, notes

Final Exam To Be According to University Exam Schedule