ACCT102101 Financial Accounting
Summer 2015, 3 Credits

Instructor: Catherine Byrne                    email: houghca@bc.edu
Office: Fulton 533                             Office Hours: T, Th 5:00PM – 6:00PM and by
Telephone: 617-620-6587                        appointment (just email me!)
Schedule: T, Th 6:00PM – 9:15PM                Room: Fulton 115

Boston College Mission Statement
Strengthened by more than a century and a half of dedication to academic excellence, Boston College commits itself to the highest standards of teaching and research in undergraduate, graduate and professional programs and to the pursuit of a just society through its own accomplishments, the work of its faculty and staff, and the achievements of its graduates. It seeks both to advance its place among the nation's finest universities and to bring to the company of its distinguished peers and to contemporary society the richness of the Catholic intellectual ideal of a mutually illuminating relationship between religious faith and free intellectual inquiry.

Boston College draws inspiration for its academic societal mission from its distinctive religious tradition. As a Catholic and Jesuit university, it is rooted in a worldview that encounters God in all creation and through all human activity, especially in the search for truth in every discipline, in the desire to learn, and in the call to live justly together. In this spirit, the University regards the contribution of different religious traditions and value systems as essential to the fullness of its intellectual life and to the continuous development of its distinctive intellectual heritage.

Course Description
This course develops an understanding of the basic elements of financial accounting and the role of accounting in society. Students are introduced to financial statements and to the fundamental accounting concepts, procedures, and terminology employed in contemporary financial reporting. The skills necessary to analyze business transactions, to prepare and comprehend financial statements, and to examine a firm's profitability and financial condition are developed. Students are required to use the Internet to conduct a financial statement analysis project.

Course Objectives
1. The student will learn fundamental principles, generalizations, and theories pertaining to financial accounting through reading required course materials, discussing key concepts in class, completing periodic examinations, and preparing an analysis of a publicly-traded company.
2. The student will develop the skills in accounting and financial statement analysis needed for effective problem solving, communication, and decision-making in a business or other professional setting.
3. The student will learn to demonstrate ethical skills pertaining to accounting as demonstrated by in-class discussion and written examination questions concerning management integrity and judgment in preparing the financial statements.

Grading
The course will be graded as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class participation</td>
<td>10.0%</td>
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<tr>
<td>First interim exam</td>
<td>17.5%</td>
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<tr>
<td>Second interim exam</td>
<td>17.5%</td>
</tr>
<tr>
<td>Financial Reporting Project</td>
<td>20.0%</td>
</tr>
<tr>
<td>Final exam</td>
<td>35.0%</td>
</tr>
<tr>
<td></td>
<td>100.0%</td>
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1. Class Participation (10%)
Class participation is graded based on quality and quantity of participation. Grades for participation follow the below guidelines:
### Grade Characteristics

<table>
<thead>
<tr>
<th>Grade</th>
<th>Characteristics</th>
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| A-Range | - Consistently comes to class prepared, having done advanced preparation (see p. 5), takes good class notes and asks relevant questions  
- Consistently contributes to class discussion on cases, FS analysis  
- Consistently contributes answers to in-class practice (see p. 5)  
- Completes the independent practice, as necessary  
- Volunteers additional outside articles, work experiences, etc. |
| B-Range | - Comes to class and is engaged  
- Occasionally contributes to class discussion on cases, FS analysis  
- Occasionally contributes answers to in-class practice |
| C-Range | - Comes to class but does not appear engaged due to infrequent contributions to class discussions and questions. |

### 2. Financial Reporting Project (20%)

The financial reporting project involves an analysis of a publicly traded company. The deliverables include a written report and 10 minute oral presentation during class-time. The objective of this project is to provide you with hands-on experience gathering, reading, and analyzing financial information. Each student will be assigned to a group with five to six other students from the class. Instructions for the project will be provided in a separate handout. **The write-up and presentations are due in class on June 16.** Keep in mind that while work will be done together, each student's individual contribution to the project and team learning will be taken into consideration. At the end of the semester, each student will be asked to complete and turn in a peer evaluation form. All evaluations will be kept strictly confidential.

In completing the requirements for the Financial Reporting Project, you may find these websites useful:

- The company’s website: Investor relations section.  
- http://databases.bc.edu/V/P3DRUJDVR8QEKDV8VH8UXJFC8II18B6RYHDPDHB82M5YJEU1JY-50515?func=find-db-3-previous&set-entry=000021: Online data bases at Boston College Libraries. Some useful databases include Factiva and Lexis-Nexis. Also check out the Bloomberg and FirstCall terminals located in the O'Neill Library.

### 3. Exams (70%)

There will be two interim exams and one final during the semester as follows:

- **Take-home first interim exam (17.5%)** – May 28: Chapters 1-5 and Chapter 11  
- **Take-home second interim exam (17.5%)** – June 9, Chapters 6-9 only  
- **In-class open book final exam (35%)** – June 18: Comprehensive

Exams typically are open book, open note, although I reserve the right to have closed book portions.
Since exam dates are already specified in the syllabus, students are expected to adjust any scheduling conflicts to accommodate taking the exams except where a conflict is unavoidable (e.g. business travel.)

**Summer Grading System**
The undergraduate grading system consists of twelve categories:  
A (4.00), A- (3.67), excellent; B+ (3.33), B (3.00), B- (2.67), good; C+ (2.33), C (2.00), C- (1.67), satisfactory; D+ (1.33), D (1.00), D- (.67), passing but unsatisfactory; F (.00), failure; I (.00), incomplete; F (.00), course dropped without notifying office; W (.00), official withdrawal from course.  
The graduate grading system is A (4.00), A- (3.67), Excellent; B+ (3.33), B (3.00), good; B- (2.67), C (2.00), passing but not for degree credit; F (.00), failure.

**Grade Reports.** All students are required to log into the web through Agora to access their summer grades.  Students must utilize their BC username and password to log on.  If your username or password is not known, the HELP Desk located in the Campus Technology Resource Center (CTRC) in O’Neill Library will issue a new one.  The CTRC requires a valid picture ID (a BC ID, driver’s license or passport) to obtain your password.

**Text(s)/Readings (Required)**

**Text(s)/Readings (Recommended)**
Canvas Learning site: https://bostoncollege.instructure.com/courses/1552816.  Contains:
- Weekly lecture notes (hard copies also will be provided in class)
- Solutions to textbook end of chapter problems (which are covered in class and / or assigned for independent practice – see p.5.)
- Supplemental materials for advanced preparation (e.g. 10-K excerpts, articles, etc.)
- Additional articles handed out in class
- Practice exams and solutions

**Important Policies**
[http://www.bc.edu/content/bc.schools/advstudies/guide/academicinteg.html](http://www.bc.edu/content/bc.schools/advstudies/guide/academicinteg.html)

**Written Work**
Graduate and undergraduate students are expected to prepare professional, polished written work.  Written materials must be typed in the format required by your instructor.  Strive for a thorough, yet concise style.  Cite literature appropriately, using APA, MLA, CLA format per instructors decision.  Develop your thoughts fully, clearly, logically and specifically.  Proofread all materials to ensure the use of proper grammar, punctuation, and spelling.  You are encouraged to make use of campus resources for refining writing skills as needed [http://www.bc.edu/libraries/help/tutoring.html].

**Scholarship and Academic Integrity**
It is expected that students will produce original work and cite references appropriately.  Failure to reference properly is plagiarism.  Scholastic dishonesty includes, but is not necessarily limited to, plagiarism, fabrication, facilitating academic dishonesty, cheating on examinations or assignments, and submitting the same paper or substantially similar papers to meet the requirements of more than one course without seeking permission of all instructors concerned.  Scholastic misconduct may also involve, but is not necessarily limited to, acts that violate the rights of other students, such as depriving another student of course materials or interfering with another student’s work.
Request for Accommodations
If you have a disability and will be requesting accommodations for this course, please register with either Dr. Kathy Duggan (dugganka@bc.edu), Associate Director, Connors Family Learning Center (learning disabilities or AHD) or Dean Paulette Durrett, (paulette.durrett@bc.edu), Assistant Dean for students with disabilities, (all other disabilities). Advance notice and appropriate documentation are required for accommodations.
http://www.bc.edu/content/bc/libraries/help/tutoring/specialservices.html.

Attendance
Class attendance is an important component of learning. Students are expected to attend all classes and to arrive by the beginning of and remain for the entire class period. When an occasion occurs that prevents a student from attending class, it is the student’s obligation to inform the instructor of the conflict before the class meets. The student is still expected to meet all assignment deadlines. If a student knows that he or she will be absent on a particular day, the student is responsible for seeing the instructor beforehand to obtain the assignments for that day. If a student misses a class, he or she is responsible for making up the work by obtaining a classmate's notes and handouts and turning in any assignments due. Furthermore, many instructors give points for participation in class. If you miss class, you cannot make up participation points associated with that class. Types of absences that are not typically excused include weddings, showers, vacations, birthday parties, graduations, etc. Additional assignments, penalties and correctives are at the discretion of the instructor. If circumstances necessitate excessive absence from class, the student should consider withdrawing from the class. In all cases, students are expected to accept the decision of the instructor regarding attendance policies specific to the class.

Consistent with our commitment of creating an academic community that is respectful of and welcoming to persons of differing backgrounds, we believe that every reasonable effort should be made to allow members of the university community to observe their religious holidays without jeopardizing the fulfillment of their academic obligations. It is the responsibility of students to review course syllabi as soon as they are distributed and to consult the faculty member promptly regarding any possible conflicts with observed religious holidays. If asked, the student should provide accurate information about the obligations entailed in the observance of that particular holiday. However, it is the responsibility of the student to complete any and all class requirements for days that are missed due to conflicts due to religious holidays.

There may be circumstances that necessitate a departure from this policy. Feel free to contact the Summer Session Office at 617-552-3800 for consultation.

Deadlines
Assignments are due at the beginning of the class period on the specified dates. Late assignments will be graded accordingly.

Course Assignments (readings, exercises and/or experiences)
It is expected that 12 hours per week of your study time out will be spent on out of class assignments and exercises. These are listed below. Please note that some weeks will require more time and some weeks less time but the average is approximately 12 hours per week over the semester.
Students are expected to complete the following out of class course assignments:

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter</th>
<th>Key Take-Aways</th>
<th>Advanced Prep</th>
<th>In-Class Practice / Discussion</th>
<th>Indep. Practice</th>
</tr>
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<tbody>
<tr>
<td>5/12</td>
<td>1</td>
<td>Financial Statements</td>
<td>Read: Chap 1 Read: AMSC 2010 10-K Excerpts</td>
<td>Discuss: AMSC</td>
<td>M1-2, E1-3, P1-1</td>
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<tr>
<td>5/14</td>
<td>2</td>
<td>Balance Sheet</td>
<td>Read: Chap 2 Read: RadioShack Q3 2014 10-Q</td>
<td>P2-3</td>
<td>AP2-3</td>
</tr>
<tr>
<td>5/19</td>
<td>3</td>
<td>Income Statement</td>
<td>Read: Chap 3 E3-3, E3-4, E3-8</td>
<td>Discuss: How are RadioShack’s woes evidenced in its Balance Sheet? Home Heaters Part A: #2, #3, #4, #5, #8</td>
<td>P3-2</td>
</tr>
<tr>
<td>5/26</td>
<td>4, 5</td>
<td>Accounting Cycle and FS Disclosure Process</td>
<td>Scan: Chap 4-5 Complete: Practice Exam</td>
<td>Review: Practice Exam Home Heaters: #12</td>
<td>Study for exam</td>
</tr>
</tbody>
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<tr>
<th>Date</th>
<th>Task</th>
<th>Description</th>
<th>Read</th>
<th>Additional Information</th>
</tr>
</thead>
</table>
| 5/28 | Turn in Take-Home First Interim Exam (Chapters 1 – 5, 11) | 5/28 | PP&E and Intangibles | - Types of PP&E and intangible assets  
- Depreciation methods and management estimation / judgment  
- Capex vs. repairs & maintenance | Read: Chap 8  
Read: Waste Management Case | E8-3  
Home Heaters Part B: #3  
Discuss: Waste Mgmt | M8-4 |
| 6/2 | PP&E and Intangibles | 6/2 | Inventory and COGS | - Inventory cost flow assumptions  
- Inventory valuation (LCM)  
- Inventory turnover ratio / Days’ sales in inventory: definition and interpretation | Read: Chap 7  
Read: Obama / LIFO Article | Start: E7-14, Do: E7-12  
Home Heaters Part B: #2 | Finish: E7-14, Do: E7-11 |
| 6/4 | Inventory and COGS | 6/4 | Revenue and Accounts Receivable | - Estimating bad debts (bad debt expense, write-offs, and allowance for doubtful accounts)  
- AR turnover ratio / Days’ sales outstanding: definition and interpretation  
- Current and noncurrent liabilities  
- Contingent liabilities  
- Capital vs. operating leases | Read: Chap 6, p.283 – 292 only | E6-11, E6-19  
Home Heaters Part B: #1 | E6-12, E6-20 |
| 6/4 | Revenue and Accounts Receivable | 6/4 | Liabilities | | Scan: Chap 9  
Read: Chap 9, p. 460-461 and p. 465 | P9-1, E9-15  
Home Heaters Part B: #4 | P9-2 (skip #4) |
- Difference between indirect method and direct method  
- How to interpret  
- Quality of income ratio | Read: Chap 12  
Scan: Mystery Companies Packet and jot down notes about significant FS trends and observations | P12-1  
Discuss: Mystery Companies | P12-2, P12-3 (#2 only for both; use the solution’s SCF to write a paragraph) |
| 6/11 | Time allocated to financial reporting group project and review practice final | 6/11 |  | | |
| 6/16 | Financial Reporting Project Presentations | 6/16 |  | | |
| 6/18 | Final Exam: In Class, Open Book, Open Note (Comprehensive) | 6/18 |  | | |