



Shanghai Jiao Tong University

AC311 Financial Accounting

|                                  |  |                               |                |
|----------------------------------|--|-------------------------------|----------------|
| <b>Instructor:</b>               | Patricia Patrick   | <b>Email:</b>                 | pap157@psu.edu |
| <b>Home Institution:</b>         | The Pennsylvania State University  | <b>Office:</b>                | 505 Main Bldg  |
| <b>Office Hours:</b>             | TBD  |                               |                |
| <b>Term:</b>                     | 2 July – 2 August, 2018  | <b>Credits:</b>               | 4 units        |
| <b>Classroom:</b>                | TBD  | <b>Teaching Assistant(s):</b> | TBD            |
| <b>Class Hours:</b>              | Monday through Thursday, 1.10 pm-3.10 pm   |                               |                |
| <b>Discussion Session:</b>       | 2 hours each week, conducted by teaching assistant(s)  |                               |                |
| <b>Total Contact Hours:</b>      | 66 contact hours (1 contact hour = 45 mins, 3000 mins in total)  |                               |                |
| <b>Required Texts (w/ ISBN):</b> | Libby, Libby and Short, 2016, <i>Financial Accounting</i> , 9 <sup>th</sup> Edition, McGraw-Hill Irwin, ISBN-13: 9781259222139 |                               |                |
| <b>Prerequisite:</b>             | N/A  |                               |                |



### Course Overview

An introductory course providing an overview of generally accepted accounting principles applied to corporate financial reporting. The emphasis is on the preparation and interpretation of the principal financial statements: the balance sheet, the income statement, and the statement of cash flows. The course explores the various accounting choices available to management and the strategies used in financial disclosure.

### Class Structure and Learning Tips

Mastering financial accounting in only FIVE WEEKS is not an easy task and requires hard work and discipline. Think about this course as a swimming summer camp. Can you learn how to swim by observing your coach swim every day? Absolutely not! You need to spend time in the pool. That means reading books and doing homework on a daily basis.

To help you optimize your time, I advise the following strategy when preparing for class. You are encouraged to read related chapter *before* coming to class. Reading and thinking about the material on your own or in group ahead of class is where you master the material and figure out what parts of the topic you do not understand. The textbook provides conceptual foundations for the financial reporting topics that we will study along with detailed coverage on the mechanical accounting for those issues. In class we will go over the slides. We usually follow this order: (1) understand the economics of the class topic; (2) “journalize” the economics of the topic using examples; (3) observe how accounting translates into real world financial reports. After class, be sure you can read through the lecture slides and understand what we’ve done in class. Then do the *homework exercises* to evaluate what you have learned.

### Grading Policy

Your grade will be determined based upon your performance on the following items:

|                                   |     |
|-----------------------------------|-----|
| Class Attendance                  | 10% |
| Participation and Professionalism | 10% |
| Homework                          | 10% |
| Midterm exam                      | 30% |
| Final exam                        | 40% |

Your letter grade will be assigned according the following scale:

| Number grade | Letter grade | GPA |
|--------------|--------------|-----|
| 90-100       | A            | 4.0 |
| 85-89        | A-           | 3.7 |
| 80-84        | B+           | 3.3 |
| 75-79        | B            | 3.0 |
| 70-74        | B-           | 2.7 |



|       |             |     |
|-------|-------------|-----|
| 67-69 | C+          | 2.3 |
| 65-66 | C           | 2.0 |
| 62-64 | C-          | 1.7 |
| 60-61 | D           | 1.0 |
| ≤59   | F (Failure) | 0   |

**Attendance**

Summer school is very intense and, to be successful, students need to attend every class session. Occasionally, due to illness or other unavoidable circumstances a student may need to miss a class. SJTU policy requires a medical certificate to be excused. Any unexcused absences may impact the student’s grade. Moreover, SJTU policy is that a student who has missed more than one-third of the classes (6 class times) of a course will fail the course.

**Homework**

Homework assignments are indicated in the Topical Outline and are due at the **beginning of class**. Students may work in groups but must submit their own individual write-ups. Grading of homework will be on an ‘efforts only’ basis. Late homework submissions and electronic copies will not be accepted.

**Exams**

All exams will be held in class (or at a location to be announced) and are ‘closed book’. Calculators may be used but accessing the Internet, using e-mail or any other text messaging devices, such as cell phones or PDAs, will not be allowed. Exams must also be taken at the scheduled time. There will be no make-up exams.

**Plagiarism & Fraud**

Cheating on exams and homeworks will not be tolerated. Evidence of cheating or submission of homework that is not the product of your own work will result in a score of zero. Repeated occurrences may result in disqualification.

**Class Conduct**

I expect you to be **punctual** arriving for class. All **cell phones** must be turned off or put on silent mode, and put them away before the start of class. **Laptops/Tablets** are not allowed in the class without permission.

I will sometimes cold call on you to answer review questions or solve practice examples. Therefore, be prepared in advance for the material.



Course Schedule (*Tentative and subject to change*)

| <i>Date</i>   | <i>Topic</i>                     | <i>Chapter</i> | <i>Homework Due</i> |
|---------------|----------------------------------|----------------|---------------------|
| <b>WEEK 1</b> |                                  |                |                     |
| <b>2-Jul</b>  | Introduction and course overview | Chapter 1      |                     |
| <b>3-Jul</b>  | Basic financial statements       | Chapter 1      |                     |
| <b>4-Jul</b>  | Balance sheet                    | Chapter 2      | Assignment 1        |
| <b>5-Jul</b>  | Journal entries                  | Chapter 2      |                     |
| <b>WEEK 2</b> |                                  |                |                     |
| <b>9-Jul</b>  | Income statement                 | Chapter 3      | Assignment 2        |
| <b>10-Jul</b> | Adjusting entries                | Chapter 4      | Assignment 3        |
| <b>11-Jul</b> | Adjusting entries                | Chapter 4      |                     |
| <b>12-Jul</b> | Recording revenue                | Chapter 6      | Assignment 4        |
| <b>WEEK 3</b> |                                  |                |                     |
| <b>16-Jul</b> | <i>Review</i>                    | Chapters 1-4   |                     |
| <b>17-Jul</b> | <i>Midterm Exam</i>              | Chapters 1-4   |                     |
| <b>18-Jul</b> | Accounts receivable              | Chapter 6      |                     |
| <b>19-Jul</b> | Inventories                      | Chapter 7      | Assignment 5        |



| <i>Date</i>   | <i>Topic</i>                    | <i>Chapter</i> | <i>Homework Due</i> |
|---------------|---------------------------------|----------------|---------------------|
| <b>WEEK 4</b> |                                 |                |                     |
| <b>23-Jul</b> | Long-term assets                | Chapter 8      | Assignment 6        |
| <b>24-Jul</b> | Long-term assets                | Chapter 8      |                     |
| <b>25-Jul</b> | Current liabilities             | Chapter 9      | Assignment 7        |
| <b>26-Jul</b> | Long-term liabilities and bonds | Chapter 10     | Assignment 8        |
| <b>WEEK 5</b> |                                 |                |                     |
| <b>30-Jul</b> | Owners' equity                  | Chapter 11     | Assignment 9        |
| <b>31-Jul</b> | Statement of cash flows         | Chapter 12     | Assignment 10       |
| <b>1-Aug</b>  | <i>Review</i>                   | Chapters 6-12  | Assignment 11       |
| <b>2-Aug</b>  | <i>Final Exam</i>               | Chapters 6-12  |                     |