

Financial Accounting

Acc 20 Financial Accounting

Finance & Accounting Department, School of Management

A. COURSE DESCRIPTION

“Most of the world’s work is done through organizations - groups of people working together to accomplish one or more objectives. In doing its work, an organization uses resources such as labor, materials, various services, buildings and equipment. These resources need to be financed, or paid for. To work effectively, the people in an organization need information about the amounts of these resources, the means of financing them, and the results achieved through using them. ACCOUNTING is a system that provides such information.” [Anthony, Hawkins, & Merchant (2007), p. 2]

This course focuses on the basic concepts of Accounting, primarily on the accounting cycle using the double entry system which includes: (1) identification of accounting transactions including the use of T-Accounts; (2) preparation of financial statements; and (3) discussion on the revenue cycle, the expense cycle, the financing cycle and the investment cycle as they relate to the accounting system. Emphasis will be on the use of accounting information for making business decisions. Whenever possible, quantitative approaches to illustrating accounting concepts will be used.

B. COURSE OBJECTIVES

At the end of the semester, the students are expected to be able to:

1. Analyze business transactions and produce the journal entries to prepare the following financial statements:
 - a. Balance Sheet
 - b. Income Statement
 - c. Cash Flow Statement
2. Use information from the financial statements to analyze business situations in cases.
3. Perform rudimentary financial statement analysis.

C. REQUIRED READINGS

Main text: Robert N. Anthony, David F. Hawkins, and Kenneth A. Merchant
Accounting: Text and Cases (12th Ed.)
Richard D. Irwin, Inc. Homewood, Illinois, 2007
(Available at LS Bookstore)

Financial Accounting

D. COURSE OUTLINE & TIME FRAME

Chapter	TOPIC	PERIOD
1	The Nature & Purpose of Accounting Case 1-3: Baron Coburg	Week 1
2	Balance Sheet Case 2-3: Lone Pine Cafe (A)	Week 3
3	Income Statement Case 3-3: Dispensers of California, Inc	Week 4
4	Accounting Records & Review Case 4-4: Waltham Oil and Lube Center, Inc.	Week 5
*	Review / Long Exam #1 / Explain Long Exam #1	Week 6
5	Revenue & Monetary Assets Case 5-2: Grennell Farm	Week 7
6	Cost of Sales & Inventories Case 6-1: Browning Manufacturing Company	Week 8
7	Long-Lived Non-Monetary Assets Case 7-3: Stafford Press	Week 9
*	Review / Long Exam #2 / Explain Long Exam #2	Week 10
8	Sources of Capital: Debt - Time Value of Money	Week 11
8	Sources of Capital: Debt - Loans, Bonds & Leases Problems 8-3, 8-5, 8-7	Week 12
9	Sources of Capital: Owner's Equity Case 9-1: Xytech Inc	Week 13
*	Review / Long Exam #3 / Explain Long Exam #3	Week 14
11	Statement of Cash Flows Case 11-1: Medieval Adventures Company	Week 15
13	Financial Statement Analysis Case 13-1: Genmo Corporation	Week 16
	Review	Week 17
*	Long Exam #4	Week 18

Topics may also be contained in other financial accounting books.

Schedules can be adjusted.

Class Policy: All topics in the main textbook may be included in the long exam

Financial Accounting

E. COURSE REQUIREMENTS**E. COURSE REQUIREMENTS**

- | | | | |
|----|--|------|------|
| 1. | LONG EXAMS: 4 Long Exam at 100 points each | 70 % | |
| 2. | QUIZZES: 6 quizzes | 15 % | |
| 3. | GROUP PROJECT | 10 % | |
| 4. | CLASS PARTICIPATION | 5 % | 100% |
- a. Four long exams will be given, with the 4th one on Final Exam week. Absolutely no make-up exam. If an exam is missed and a reasonable explanation is given, the teacher will decide which exam will replace the missed exam.
 - b. For the student to gain any percentage points from the long exams, the average of the 4 long exams should not be lower than 50 raw score points (or a total of 200 raw score points for the 4 exams). If the student is unable to attain the minimum points, the student will not get any percentage points from the 4 exams regardless of the grades the student will have from the other course requirements.
 - c. Any request for a change of grade in the requirements will be entertained only from the time the requirement is graded and returned to the students up to the next class. The request should be written.
 - d. Students will be divided into groups for the course projects (details to be discussed in class).
 - e. 1 by 1 or passport size pictures (face=2/3 of the frame, last 6 months, no computer scan) should be submitted during the first week of classes.

F. GRADING SYSTEM

The student's performance will be tracked numerically throughout the semester. It is only when the final weighted average score is computed will this number be converted to its letter equivalent, as follows:

A	92 and above	C+	74 to 80	F	59 and below
B+	87 to 91	C	67 to 73		
B	81 to 86	D	60 to 66		

Faculty members reserve the right to decide the letter equivalent in borderline cases.

G. OTHER ACADEMIC MATTERS

1. Attendance will follow Ateneo rules on the number of allowable cuts and number of allowable minutes before a student is considered late.
2. Cheating in a long exam will merit an F in the final mark with disciplinary sanctions.
3. The JG-SOM Dress Code shall be observed in all Acc20 activities.

H. CONSULTATION HOURS

Check the bulletin board of the Finance & Accounting Dept for consultation hours. It is preferred that you set an appointment with your teacher first if you plan to consult.