

GSA 541
Advanced Financial Reporting Issues I
Fall Quarter 2015 - Course Outline

Instructor: Herbert G. Hunt III, PhD (see biographical sketch below)
Office: 03-452 (Business 452)
Office Hours: Monday & Wednesday 12:45-2:00 PM (and by appt.)
Phone: (805) 756-2991 **email:** hghunt@calpoly.edu

Meeting Times: Mondays and Wednesdays, 4:10 PM – 6:00 PM
Room: Business 300A (03-300A) FASB Codification: <http://aaahq.org/ascLogin.cfm>
Prerequisite: OCOB graduate standing User: **AAA51773** PW: **3EpvY2E**

Required:

- (1) *Intermediate Accounting*, 7th edition, by Spiceland, Sepe and Nelson (McGraw-Hill, 2013) (ISBN: 9780077614041)
- (2) *Advanced Accounting*, 2nd edition, by Halsey and Hopkins (Cambridge Business Publishers, 2014) (ISBN: 9781618530424)
- (3) Hunt, *Lecture Notes* (provided)
- (4) Scantron forms (882-E only) for all exams
- (5) Financial Calculator and knowledge of how to use it

Course Description and Objectives:

The topics covered in this course are a continuation of those covered in Intermediate Accounting including accounting changes and errors, leases, pensions, and accounting for income taxes. In addition, the basics of consolidated financial reporting will constitute a significant part of the course. These topics include some of the most difficult aspects of financial reporting.

The general objectives of this course are to develop the analytical, technical and critical thinking skills necessary for a successful career in professional accounting and to improve students' effective writing skills. More specifically, students will develop their ability to analyze financial statement data and conduct business valuations, be able to research issues related to accounting standards including international financial reporting standards and be able to recognize and apply ethical and fraud-related concepts in accounting and financial reporting.

This course is one of the **most important (and difficult) in the accounting curriculum** and students should invest the necessary time and effort to not only learn the material, but also develop and exhibit a level of professionalism that will be expected in the workplace.

Class Format:

Class time will be devoted to a discussion of the major topics from each chapter. The pace and rigor of the course require that students come to class with at **least a basic understanding** - which is more than simple familiarity - of the topics to be covered. Thus, each chapter should be read **prior** to the first day that it appears on the syllabus in order to make the classroom discussion meaningful. Because class time is always at a premium, ***the majority of the learning in this course must take place outside of class.*** To this end, you should expect to spend ***at least 8-10 hours per week of quality study time outside of class for this course.***

Assignments and Homework:

Homework assignments are designed to help acquaint you with the material and to develop your

technical, critical thinking and problem-solving skills. It is **absolutely essential** that you take a **very serious approach to the homework assignments** and that you follow **diligent study habits** in this course. This is a graduate course and I assume that each of you is mature enough to know that there is a positive correlation between the quality of your study time and the learning that results from that effort. “Credit” will not be awarded for doing regular homework problems. Your “reward” will be good exam grades based on the knowledge gained from your hard work. To that end, the solutions to the homework assignments will be made available so that you can check your own work as you complete it. I **highly recommend** that you answer assigned questions and problems before looking at the solution. Little will be gained by looking at solutions prior to working through the assigned items on your own. Even though you may think you know the material, history shows that this is usually not the case. The key to success in accounting is developing an ability to set up and solve problems, and developing a conceptual and technical understanding of the issues and procedures contained in the problems. Please note that the textbook assignments contained in the syllabus are only a **suggested minimum**; *you should work extra exercises and problems in areas where you are having difficulty until you are satisfied that you fully understand the material.*

In addition to the day-to-day assignments discussed above, there are three assignments that will be graded on both **correctness and quality of writing** and will constitute approximately 10-12% of the course grade. The first is a professional simulation involving a lease and the preparation of an Excel spreadsheet. The second is a research exercise requiring students to access the professional literature and the third is a short case involving ethical considerations.

In addition to the above, I recommend going through the **CPA and CMA review questions** (Spiceland text) and the **multiple choice questions** (Halsey text) at the end of each chapter. These types of questions provide an excellent review of the chapter material and are similar to questions that you might see on exams in this course as well as the CPA or CMA exams.

Exams:

There will be two midterm exams and a final exam during finals week. Failure to show up for an exam will result in a grade of **zero** unless: (1) I am contacted in advance of the scheduled exam, and (2) you have a legitimate reason (of which there are very few) for missing the exam.

For all three exams, you will be allowed to refer to one 8.5” x 11” hard copy “cheat sheet” (with writing on both sides) during the exam. These sheets may be typed or hand written in any size font and may contain material from the textbook, lecture notes or students’ own class notes. Except for material from the textbooks used in the course, no other materials protected by copyright laws may be used such as study guides, test banks, etc. The sheets must contain your name, may not be shared during the exam and must be turned in at the end of the exam. They will be returned after the exams are graded. Any violation of these rules will result in a failing grade for the course.

Grading (subject to minor revision):	<u>Points</u>
Exam I	250
Exam II	250
Final Exam	330
Written Assignments	120
Class participation/attend.	<u>50</u>
Total	<u>1000</u>

GENERAL COMMENTS:

1. Students are responsible for ***all assigned material***, whether covered in class or not. As always, class time is limited and will be used to address the more difficult topical areas.
2. Be prepared (with questions, if necessary) ***before*** coming to class. Class time is best spent reinforcing the learning that takes place outside of class and clarifying difficult and misunderstood concepts. This approach requires that you ***stay on schedule***.
3. Class attendance is expected and encouraged. Attendance will be taken each class day and a small deduction will be made from the participation/attendance grade for missed classes. **Active** class participation will be rewarded with an increase in this part of the grade.
4. Treat your classmates and instructor with the level of respect appropriate for professional business colleagues. Among other things, that means showing up to class on time, paying attention in class, and not being disruptive by socializing with others. **All cell phones and other communication devices should be turned off upon entering the classroom** and should remain off during the entire class. This means no texting during class! ***Under no circumstances may cell phones or any other type of communication device be used during an examination;*** transgressions will result in a failing grade for the course. Also, ***laptops may be used for note taking only during class, not surfing the web!***
5. Withdrawals from the course will be allowed without a serious and compelling reason only during the first two weeks of instruction. After that, students must formally request a withdrawal and this request must be supported by a **“serious and compelling”** reason. While poor time management on your part or the desire for a better grade in the course might seem serious to you, neither reason is considered serious nor compelling enough to justify withdrawal after the second week of classes.
6. ***Academic dishonesty will not be tolerated in the Orfalea College of Business.*** If you are unfamiliar with the University policy in this area, see Section 684 Campus Administrative Manual (CAM). Violations may result in a failing grade for a particular assignment, for an exam or for the course, as appropriate.
7. It is the responsibility of students with disabilities to inform the instructor within the first week of the quarter of the need for reasonable accommodation of their disabilities. Students are advised to seek assistance from the Disability Resource Center (Students Services Building 124; phone: 756-1395). As soon as the need for accommodation is determined and communicated to the instructor by DRC, reasonable accommodation will be made.

ABOUT YOUR INSTRUCTOR:

Professor Hunt joined the Cal Poly Faculty in September 2013 after holding Faculty positions at Penn State University (4.5 years), The University of Vermont (14.5 years) and Cal State University, Long Beach (11.5 years). He received a BA degree in Psychology and an MBA degree from The University of Vermont and a Ph.D. in Accounting (with a minor in Tax Law) from the University of Colorado. His teaching and research interests are primarily in the areas of financial accounting, financial analyst behavior, federal income taxation and environmental accounting. His research papers have appeared in both academic accounting journals and professional business journals. Professor Hunt also holds an inactive CPA license from the state of Colorado.

GSA 541
Advanced Financial Reporting Issues I
Fall Quarter 2015 - Course Syllabus

<u>Date</u>	<u>Topic</u>	<u>Homework Assignment</u>
9/21 (1)	Leases – SSN Ch. 15 (pp. 858-894).	Q: 1,8,9,10,20,21,23
9/23 (2)	Leases – SSN Ch. 15 (pp. 894-899).	E: 3,4,5,9,15,17,19,21,26,27 CPA/CMA Review Questions: all Lease Professional Simulation (due by 11:55 PM, 9/27)
9/28(3)	Accounting Changes & Error Corrections – SSN Ch. 20 (pp. 1206-1222).	Q: 6,7,9 E: 2,5,8,11,14,17
9/30 (4)	Accounting Changes & Error Corrections – SSN Ch. 20 (pp. 1222-1231).	Q: 12,13,15,16,17 E: 21,24,25 P: 10,15 CPA/CMA Review Questions: all
10/5 (5)	Accounting for Income Taxes – SSN Ch. 16.	Q: 4,5,7,8,10,13,15 E: 3,4,5,6,7
10/7 (6)	Accounting for Income Taxes – SSN Ch. 16.	E: 11,22,23 P: 6,7 CPA/CMA Review Questions: all
10/12 (7)	EXAM I (SSN-Ch. 15,16,20)	-----
10/14 (8)	Pensions and Other Post-retirement Benefits-SSN Ch. 17 (pp. 1008-1023).	Q: 4,5,7,9 E: 1,3,5,6,12 Research Case (due by 11:55 PM, 10/24).
10/19 (9)	Pensions and Other Post-retirement Benefits-SSN Ch. 17 (pp. 1023-1039).	Q: 10,11,14,15,20 E: 8,13,18,19 P: 12
10/21 (10)	Pensions and Other Post-retirement Benefits-SSN Ch. 17 (pp. 1039-1050).	Q: 23,25,26 E: 24,27 P: 18 CPA/CMA Review Questions: all
10/26 (11)	Accounting for Inter-corporate Investments-HH Ch. 1.	Q: 1,2,3,6,7,8 E: 23,25,27,28,29,31,32 P: 36,38 MC: all
10/28 (12)	Introduction to Business Combinations and the Consolidation Process-HH Ch. 2 (pp. 45-61).	Q: 4,12,13 E: 36,39,40 P: 46

11/2 (13)	Introduction to Business Combinations and the Consolidation Process- HH Ch. 2 (pp. 62-85).	Q: 16,20,22 E: 43 P: 49,50 MC: all
11/4 (14)	EXAM II (SSN-Ch.17, HH-Ch.1,2) -----	
11/9 (15)	Consolidated Financial State- ments Subsequent to Date of Acquisition-HH Ch. 3 (pp. 105-119).	Q: 4,5,6 E: 28,34, P: 37,39
11/11	VETERANS DAY – NO CLASS	
11/16 (16)	Consolidated Financial State- ments Subsequent to Date of Acquisition-HH Ch. 3 (pp. 120-134) (omit App. 3B & 3C).	P: 41,45 MC: all
11/18 (17)	Consolidated Financial State- ments & Intercompany Inventory Transactions- HH Ch. 4 (pp. 165-178).	Q: 5,6 E: 26,27 P: 34,35
11/23 (18)	Consolidated Financial State- ments & Intercompany Land & Deprec. Asset Sales- HH Ch. 4 (pp. 179-195) (omit App. 4A & 4B).	Q: 7,8,9 E: 28,29,30,31 P: 41,44 MC: all
11/25	UNIVERSITY HOLIDAY – NO CLASS	
11/30 (19)	Consolidated Financial State- ments with Less than 100% Ownership-HH Ch. 5 (pp. 231-251).	Q: 6 E: 29,30,31 P: 42,43
12/2 (20)	Consolidated Financial State- ments with Less than 100% Ownership-HH Ch. 5 (pp. 251-278 but omit App. 5A)	E: 32,33,34,35 P: 46,55 MC: all
12/7	FINAL EXAM 4:10 PM – 7:00 PM	

Key to abbreviations:

SSN = Spiceland, Sepe & Nelson, *Intermediate Accounting* (7th edition).

HH = Halsey & Hopkins, *Advanced Accounting* (2nd edition).

Q = Questions; **E** = Exercises; **P** = Problems; **MC** = Multiple Choice.