

**THE UNIVERSITY OF ILLINOIS AT CHICAGO**  
**College of Business Administration**  
**Department of Accounting**

**Accounting 503 – Financial Accounting II**  
**Fall 2012**

**Instructor:**

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Office Hours: Wednesday 2:30 pm – 4:00 pm, and by appointment.

**Prerequisite:**

Accounting 500: Introduction to Financial Accounting, and Accounting 502: Financial Accounting I, or the equivalents.

**From the Accounting Department Mission Statement:**

The accounting department is committed to quality educational programming, research pursuits and community service. We significantly contribute to the College of Business Administration's mission to create new knowledge, new business, new value and new leaders for Chicago and the world beyond. Students admitted to our degree programs must show the potential and demonstrate proficiency in contemporary management skills such as information technology, communication techniques and teamwork. The program will promote a prospective of the global economy and cultural diversification necessary for the knowledge worker of the 21 century.

**Course Objectives:**

The main objective of this course is to extend the student's understanding of financial reporting to include advanced topics primarily related to asset valuation, revenue recognition, pensions, income taxes, share based compensation, and earnings per share, and the statement of cash flows. Emphasis is placed on both accounting concepts and applications. We will examine issues in financial reporting from both preparer and user perspective. Students should attempt to develop a level of understanding sufficient to apply the concepts of accounting, be able to read and interpret material written at a professional level, and use accounting research tools.

**Catalog Description:**

Contemporary financial accounting issues, including liabilities, pensions, tax allocation, price level reporting, investments, capital transactions, and financial statement analysis.

**Required Text:**

**Intermediate Accounting**, 6<sup>th</sup> Edition, By Spiceland, Sepe, Nelson, and Tomassini: McGraw Hill, 2011. ISBN: 0-07-811083-2

**Teaching Method:**

I consider learning to be a joint endeavor. It is my job to facilitate learning. It is your job to read the assigned materials and work the assigned exercises and problems before they are discussed in class. This calls for a lot of effort on your part. However, it is the only way you can successfully learn the course material and realistically develop the set of skills needed to become an accountant.

**Preparation for classes**

Lecture slides will be posted on Blackboard at least two days in advance. In order to get the most out of class, please print out the lecture slides, and bring them to class. In addition, try to go over the lecture slides by yourself, read the textbook to help understand the concepts before class.

**Grading:**

Course final grades will be determined based upon the following criteria:

First Exam	25%	100 points.
Second Exam	30%	120 points
Third Exam	30%	120 points
Quizzes	<u>15%</u>	<u>60</u> points
Total	<u>100%</u>	<u>400</u> points.

Final grades will be based on a straight 90, 80, 70, 60, scale for an A, B, C, D, etc. The scale may be lowered if deemed necessary.

**Incomplete:**

Incompletes will be granted only in documented cases of undue hardship or clearly extraordinary circumstances, and according to university policies.

**Quizzes:**

Eight quizzes will be administered throughout the semester. Each quiz is worth ten points. But the results from only six of the quizzes will be used in determining your course grade. This allows you to miss or drop up to two quizzes with the lowest score. **There will be no make-up quizzes.**

**Homework:**

Each student is responsible for reading the assigned material and doing all of the assigned problems before class. Homework should be done as assigned but will not be collected. Instead, the quizzes will serve as an indicator of homework progress. Written homework solutions will be available on blackboard shortly after the assignment's due date.

**Exams:**

Exams will consist of multiple choice questions and problem solving. They are to be taken as scheduled in the course schedule. All exams are closed-book, closed-notes. The exams are non-cumulative, however, some of the very basic accounting concepts will carry over all the way through the course. There will be **no make-up exams.**

**Attendance:**

Regular class attendance is essential and expected. There is a direct correlation between attendance and success in the course. If you miss a class session due to sickness or emergency, **YOU ARE RESPONSIBLE** for all material covered in class (which may extend beyond or amend the information covered in the texts) and the content of any informational announcements made in class.

**Academic Integrity:**

In all courses, you are expected to conduct yourselves in a manner that is consistent with the university standards of academic honesty. Any student who cheats on an assignment or exam will receive a grade of "F" for the course and may also be dismissed from the university.

**General:**

Every effort will be made to adhere to the information and schedule set forth in this syllabus. Any changes, which are necessitated as the semester progresses, will be announced on a timely basis. Regular attendance will ensure that you are aware of any modification made.

### COURSE SCHEDULE

#	Date	Day	Activities and Assignments:
1	Aug 29	W	Course introduction. Ch. 2: <b>Review of Accounting Process.</b> <b>HW:</b> E2-2, 3, 4, 5, 8, 10 P2-2, 7, 9
2	Sep 5	W	Ch. 5: <b>Income Measurement and Profitability Analysis.</b> <b>HW:</b> E 5-2, 3, 9, 12, 13, 14 P 5-2, 5, 6, 8
3	Sep 12	W	Ch. 7: <b>Cash and Receivables.</b> <b>HW:</b> TBA
4	Sep 19	W	Ch. 8: <b>Inventories: Measurement.</b> <b>HW:</b> TBA
5	<b>Sep 26</b>	<b>W</b>	<b>Exam 1: (Chapters 2, 5, 7, and 8)</b>
6	Oct 3	W	Ch. 9: <b>Inventories: Additional Issues.</b> <b>HW:</b> TBA
7	Oct 10	W	Ch. 10 <b>Operational Assets: Acquisition and Disposition.</b> <b>HW:</b> TBA
8	Oct 17	W	Ch. 11: <b>Operational Assets: Utilization and Impairments.</b> <b>HW:</b> TBA
9	Oct 24	W	Ch. 16: <b>Accounting for Income Taxes.</b> <b>HW:</b> TBA
10	<b>Oct 31</b>	<b>W</b>	<b>Exam 2: (Chapters 9, 10, 11, 16)</b>
11	Nov 7	W	Ch. 17: <b>Pensions and Other Postretirement Benefits.</b> <b>HW:</b> TBA
12	Nov 14	W	Ch. 19: <b>Share Based Compensation and Earnings Per Share.</b> <b>HW:</b> TBA
13	Nov 21	W	Ch. 20: <b>Accounting Changes and Error Corrections.</b> <b>HW:</b> TBA
14	Nov 28	W	Ch. 21: <b>The Statement of Cash Flows Revisited.</b> <b>HW:</b> TBA
15	Dec 5	W	Catch-up and/or review.
16	<b>TBA</b>		<b>Third Exam: (Chapters 17,19,20,21)</b>