

**BUS 115 FINANCIAL ACCOUNTING**  
**SPRING SEMESTER 2019**  
**PROFESSOR GEORGES ROCOURT**

revised 29/01/2019

Class Meeting Time: T. F, 14:30 – 15:45  
Class Location: Lowerre Academic Center North Campus Classroom # 3  
Final Exam: Friday, May 10 – 13:30 – 15:30

Office Hours: Lowerre Academic Center Faculty Office # 10  
**MTh**: 15:00 – 17:00  
**TuF**: 16:00 – 18:00  
Also by appointment as mutually convenient  
091-986-3656; 076-249-8375 (text msg) [grocourt@fus.edu](mailto:grocourt@fus.edu)

**Course Description:**

(Franklin University Switzerland 2018-2020 Catalog): This course is designed to provide students with a basic knowledge of financial accounting concepts, procedures, analysis, and internal reports as an essential part of the decision making process. The focus is on the three basic steps of the accounting process: recording, classifying, and summarizing financial transactions. Emphasis is placed on the general accounting activities leading up to the preparation of financial statements.

**Course Objectives:**

BUS 115 encompasses the theory and practice of financial accounting. The course, while necessarily having to deal with some of the details inherent in accounting, will focus on developing the student's understanding of the conceptual basis of financial accounting and on linking that foundation to business and organizational analysis and decisions.

The **primary objective** is to provide an introduction to financial accounting with a special focus on the FASB's conceptual framework, U.S. generally accepted accounting principles (GAAP), the primary financial statements and their constituent elements (assets, liabilities, owners' equity, revenue, expenses, and cash flow). This factual and problem-based focus will develop the student's needed analytical ability to evaluate the strengths and weaknesses of current and proposed alternative accounting treatments, as well as analyzing potential effects of different accounting treatments and proposals on the process of business decision-making

**Secondary goals** include developing an appreciation of the importance of widely reported financial information in business decision-making; enhancing the student's communication, interpersonal relationship, and analytical problem solving skills; highlighting the growing use of software and information technology in business; and developing an awareness of the international financial accounting standards as they relate to ethical managerial behavior in the global political economy.

## BUS 115 Financial Accounting Learning Outcomes:

Upon successful completion of the course, students will:

- Show an understanding about the goals of, the techniques used in & the problems encountered while recording (in standard GAAP and IFRS formats) the consequences of resource use by private and public entities of all varieties through the process of financial reporting
- Demonstrate the ability to read and interpret with ratios and related tools the business and policy implications of financial statements found in 10-K reports and other similar documents
- Comprehend key components of the standards found in the accounting conceptual framework of double-entry recording systems including revenue recognition, matching principle, accrual methods, valuation rules for assets and liabilities, cash flow computations and interpretations, the role of judgment in questions of materiality, and the purpose of internal controls and auditing
- Perform accurately all the steps in the accounting cycle including identifying events, recording proper journal entries, posting information to ledgers, making required adjusting entries, using trial balances to prepare standard financial statements, and initiating the closing process
- Apply technical tools and information in correctly recording and interpreting sub-parts of accounting data such as revenues, cost of goods sold, inventory systems and valuation, financial assets (cash, investments, accounts receivable), permanent and intangible assets, short- and long-term liabilities, net income, and the various components of shareholder equity
- Exhibit a sophisticated understanding of how deliberate and/or inadvertent errors in financial reporting and weaknesses in internal control environments have in recent years tested the behavioral, ethical, and social standards of the accounting profession, and led to increased regulation and oversight by professional associations and governments in a global context
- Appreciate the application of accounting tools and methods as practiced in a specific company to be followed, and as observed at organizations in the course travel component

## Text and Readings

### **Financial Accounting, 17th edition (International), 2018 Irwin-McGraw Hill**

J.R. Williams, S.F. Haka, M.S. Bettner, & J.V. Carcello.

**Students should also keep up with accounting news reports about current corporate and other financial developments** including quarterly earnings, stock prices, overall market indices, and interest rates. The best way to do this is by using such sources as The Financial Times, Wall Street Journal Europe, Bloomberg Business Week, Fortune, etc. The instructor will periodically draw student attention to particular articles that correspond to relevant course topics.

The following internet accounting sites, among the many others available, are highly recommended:

<http://www.cfo.com/>; <http://www.imanet.org> <http://asc.fasb.org/home>  
<http://www.aicpa.org>; <http://www.sec.gov>; <http://www.accountingtools.com>

## Course Requirements and Grading Policy

The central focus of this introductory course builds on chapter topic lectures on accounting theory and practice, but fortified by very large doses of quantitative calculation problems assigned as homework, which are worked out in class, and verified in chapter coverage quizzes. **Students should have the text and calculator available at every class.**

Problems must be prepared on the date they will be discussed in class. Credit may not be given for late homework submissions. In addition to chapter quizzes, there will be a midterm exam and a final exam. Finally, there will be an ongoing project related to the annual report of a specific company of your choice. Details will be announced a few days after the start of classes. **Plan to spend at least 3-4 hours per class in preparation time outside of class for this course.**

Your grade in the course will be determined according to the following formula:

Chapter Coverage Quizzes	15 %
Interim Examinations (Feb 19, Apr 9)	40 %
Announced Homework Problems	10 %
Oral & Writing Assignments on company (separate handouts)	15 %
Final Examination (May 10)	20 %

Student written assignments should be submitted whenever possible in e-versions, and in standard Windows.doc or PDF or Excel format. If I can't open the file, I can't grade it!

**Students should expect to have several office-hours conferences with the instructor concerning the semester project about a company you will choose to follow throughout the course.**

## Attendance Policy

The Franklin University Switzerland Academic Catalog 2018-2020 contains the following statement on class attendance policy on page 187:

“Each faculty member will set a total number of absences tolerated before absences begin to affect a student’s participation and final course grade. This number of total absences allowed includes absences due to illness. The faculty member’s specific policy will be announced at the beginning of each course and included in the course syllabus. A student who, for no valid reason, remains absent from campus or from classes for an excessive length of time during a semester may be withdrawn from the University.”

In light of this statement of University administration policy, and considering the cumulative nature of the subject matter in this Business course, the **following class attendance limits will apply in this course**. For courses meeting two times per week (TF), **each absence in excess of two (2) will reduce the student’s earned letter grade by one level**, e.g., an earned “A-” becomes a “B+”; an earned “C+” becomes a “C”, etc. Please note that this policy allows a generous margin of 2 missed classes within an already relatively short semester. Additionally, excessive and persistent tardiness will be counted as an absence at the discretion of the instructor, and the student will first be verbally warned, and then be specifically informed when such a judgment is applied. Getting up and leaving during class and then re-entering the room later is extraordinarily disruptive and will not be tolerated except in emergencies.

## Laptops and Cellphones Policy

Students who wish to use their laptops to take notes during class may do so **only** with the prior consent of the instructor. Permission of the instructor will only be granted to those who can demonstrate to the instructor that they must use their laptops in order to take notes. Others may not open or use their laptops while in class.

During class, you are expected to have your phones shut off. If your phone goes off during class, you will be dismissed from the class to answer the call, and you will not be re-admitted to the room that class. **Cell phones may not be used as a substitute for a calculator during exams.**



## Tentative Course Schedule (subject to possible revision)

revised 29/01/2019

<u>WEEK</u>	<u>TOPIC</u>	<u>CHAPTER</u>
Jan 22	Course Orientation, Schedule, and Expectations Using Accounting Information in Business Decisions	1
Jan 29	Financial Reporting, Audits, Professional Accounting Activity Balance Sheets – Assets, Liabilities, Owner's Equity,	1 2
Feb 5	Effects of Business Transactions on Financial Statements Income Statements, Cash Flow Analysis, Disclosure	2
Feb 12	Recording Transactions: Debits, Credits, Journals, Ledgers, Revenue, Expenses, Net Income, Dividends, Trial Balance	3
Feb 19	<b>Midterm Examination # 1</b> Accruals & Deferrals: Purpose & Methods of Adjusting Entries	<b>1-3</b> 4
Feb 26	Depreciation, Materiality, Company examples & reports Preparing Financial Statements, Retained Earnings & Dividends	4 5
Mar 5	Temporary Accounts and the Closing Process Interim Reports, Financial Analysis & Decision Making	5 5
Mar 12 Mar 19	Academic Travel Period Academic Travel Period	
Mar 26	Merchandising: Purchases, Inventory methods Merchandising & Sales – Gross vs. Net Recording Methods	6 6
Apr 2	Cost of Goods Sold; Sales Allowances and Discounts Review for midterm examination	6
Apr 9	<b>Midterm Examination # 2</b> Financial Assets: Cash, Banking, Short-Term Investments, Notes	<b>4-7</b> 7
Apr 16	Financial Assets: Accounts Receivable and Realizable Value	7
Apr 23	Inventory Valuation Methods in Accounting Inventory Valuation Methods in Accounting (continued)	8 8
Apr 30	Introduction to Fixed Assets Physical Assets and Depreciation; Intangible Assets	9 9
May 10	<b>Final Examination</b>	<b>8-9</b>

Homework will be assigned and collected for every chapter covered. The specific problems for each topic will be announced weekly in separate handouts and by e-mail.

Chapter Quizzes are short, objective (T/F, multiple choice), and may be administered in class or as a take-home exercise at the discretion of the instructor. **No make-ups allowed. No exceptions.**

Details for the Company writing assignments will be announced and are due as assigned.

## Academic Dishonesty

(From 2018-2020 Academic Catalog – page 199)

<http://www.fus.edu/files/FUS-academic-catalog-2018-2020.pdf>

### STATEMENT ON CHEATING AND PLAGIARISM

A student whose actions are deemed by the University to be out of sympathy with the ideals, objectives or the spirit of good conduct as fostered by the University and Swiss community, may be placed on Disciplinary Probation or become subject to dismissal from the University. Cheating and plagiarism are dishonest actions that run counter to the University ideals. Furthermore, cheating reflects negatively on one's personal integrity and is unjust to other students.

Consequently, the University has adopted the following code:

- When an examination is in progress, all unauthorized books, notes, papers, notebooks, and phones must be left outside the classroom, or, where this is not feasible, left beneath the student's seat unopened.
- Students will be asked to distribute themselves around the room during an exam so as to leave the widest possible space between them.
- During the examination only the blank paper required for the examination and a pencil, pen or other tools as permitted by individual instructors may be on the desk.
- Should an instructor see written crib notes in evidence or see a student consult a cell phone during an exam, the presumption will be that the student has cheated on that exam.
- If a student must leave the classroom during an examination due to physical duress, the student must turn in the exam and will not be allowed to return during the examination period. No make-up examination will be administered.
- It is within the prerogative of the instructor to take a student's paper during an exam and to ask that student to take an oral exam, or another exam, at the instructor's discretion.
- A student found cheating will be reported to the Dean of Academic Affairs. A second offense, in the same or any other course, will result in dismissal from the University.
- A student found cheating on an exam will be given an "F" for that examination. If it is a final examination, the student may be given an "F" for the course.
- A student whose paper or assignment has clearly been plagiarized will receive an "F" for that paper. Notification will be sent to the Dean of Academic Affairs. A second offense, in the same or any other course, will result in dismissal from the University.

Cases of academic dishonesty may be handled by the instructor in whose course the violation occurred if the matter is a result of student ignorance or is a first offense. The instructor will assess the severity of the violation and impose an appropriate penalty. In the event of a repetition of dishonesty, the matter will be referred to the Dean of Academic Affairs, and the student will risk dismissal from the University.

**Please also note: Students will ONLY be permitted the use of "conventional" calculators during examinations; i.e., no cell phones, etc.**