

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

School of Business

**Course Syllabus and Outline for Semester 1 of 2016-2017
ACCT3103: Intermediate Financial Accounting II
Subclasses A, B & C**

I. INFORMATION ON INSTRUCTOR AND TUTOR

Instructor: Dr. Lilian Chan
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II. COURSE INFORMATION

(i) **Prerequisite:** BUSI0019 Intermediate Accounting I/ACCT2102 Intermediate Financial Accounting I

(ii) **Course Descriptions:** This course is a continuation of Intermediate Accounting I. Topics examined include debt financing, equity financing, income taxes, leases, dilutive securities and earnings per share calculations, and derivatives and hedging activities. While the primary emphasis will be on Hong Kong practice, financial accounting and reporting practice in U.S. and China will also be discussed from time to time throughout the semester. We will also discuss the accounting principles and standards based on International Accounting Standards (IAS). Since 1993, IAS has been the basis for all new standards adopted in Hong Kong. In addition, IAS is providing the framework for the development of accounting standards in China.

(iii) **Required Textbook:** Spiceland, Sepe, Nelson, Tan, Low & Low, Intermediate Accounting: IFRS Edition (Global Edition), McGraw-Hill/Irwin, 2013.

This textbook has a useful web-based learning system for students. The web address is <http://www.mheducation.asia/olc/spiceland>.

Useful Links: IFRS: <http://www.ifrs.org/IFRSs/IFRSs.htm> and HKAS: http://app1.hkicpa.org.hk/ebook/HKSA_Members_Handbook_Master/volume II/contentpage.pdf

(iv) **Lecture Notes:** Powerpoint notes are available on the course Moodle. *You are responsible for downloading and printing them in advance for each class.*

(v) **Intended Learning Outcomes (ILOs):** On completion of this course, you should be able to:

ILO1. Understand the concepts and theories of financial accounting, and the issues and controversies surrounding, and the rationale of, the relevant accounting standards.

ILO2. Analyse controversial accounting issues and complex accounting transactions.

ILO3. Assess the effects of alternative accounting policies on financial statements.

ILO4. Apply relevant accounting information in making business decisions.

ILO5. Develop skills in analysing, synthesizing, and writing financial accounting problems as well as team working skill.

(vi) **Alignments of Program and Course ILOs**

Program ILOs	Course ILOs
1. Acquisition and internalization of knowledge of accounting, business and economics	ILO1, ILO2, ILO3
2. Application and integration of knowledge	ILO2, ILO3, ILO4
3. Inculcating professionalism and leadership	ILO3, ILO4
4. Developing global outlook	ILO1, ILO2, ILO4
5. Mastering communication skills	ILO3, ILO4, ILO5

(vii) **Teaching and Learning Activities (TLAs)**

TLA1. Situation: Interactive Lectures

- Lecture on major concepts and issues: Interactive lectures with PowerPoint slides are conducted with the lecturer explaining and illustrating the concepts. Students will be invited to share their views in applying the concepts.
- In-class exercises: Basic concepts and techniques are illustrated using examples. Students work along with the lecturer to solve the problems. These exercises help students follow the lectures closely and actively.
- In-class discussion: Sometimes discussion questions will be raised by the lecturer. Students are encouraged to participate in discussions and share views with their peers. These discussions encourage students to think more for certain arguable topics.

Major focus: ILOs 1, 2, 3 and 4

TLA2. Situation: Tutorials

- The one-hour tutorial will review select weekly assignments and elicit your answers on them. (There is no tutorial in week 1.) In addition, a portion of the tutorial will be spent on review of key concepts and techniques presented in the previous week's lecture.

Major focus: ILOs 1 and 2

TLA3. Situation: Group Project Analysis and Presentation

- Students are to form *ten groups of six to seven people*. Each group has to nominate a leader who will be responsible for notifying me of the work progress and consult me on problems faced by the group. Please email the membership list (including

your students' names and ID numbers) to me no later than *Friday, September 30, 2016*. If you are not named in such emails, then I will form a group for you by random matching. Group list will be posted on the Moodle after *Wednesday, October 5, 2016*.

- Each team member is expected to make sincere contribution to the group. To avoid having free-riders in your group, a peer-evaluation may be conducted at the end, so that you will have a chance to evaluate each of your group members' performance and contribution to the group. Ratings of you and comments from your peers will be taken into account when determining your final grade in your group work. You should provide the most candid evaluation of each of your group members. The evaluation will be submitted to me directly and will be kept confidential.
- Each group is responsible to make a *20-minute* presentation of a financial statement analysis report on a specified publicly listed company in Hong Kong. The specified company will be assigned on a random draw basis. The instructions will be posted on Moodle in early October. Once the company is assigned, each group should meet outside the class to analyse the company, assign responsibility for the presentation and hand in the presentation slides immediately after the presentation.
- Your presentation slides should be typed and well written, and your analysis should be logical, clear and precise. Please be sure all members of the group are identified on the first page of the slides.

Major focus: ILOs 1, 2, 3, 4 and 5

TLA4. Situation: Outside-Classroom Activities

- Group discussions: Group members meet to work on the assignment and group presentation as a team and contribute jointly to preparing the written solutions and report.
- Lecturer and tutor consultations: I am available by appointment to address students' questions and doubts related to the course (see page 1). A tutor is also available for consultations.

Major focus: ILO 5

(viii) Assessment Tasks/Activities (ATs)

AT1. Class Attendance, Participation and Group Assignment	
- Class and Tutorial Participation	10%
- Group Assignment	5%
AT2. Quizzes	5%
AT3. Group Project	10%
AT4. Exams	
- Mid-Term Exam	30%
- Comprehensive Final Exam	<u>40%</u>
TOTAL	<u>100%</u>

AT1. Class Attendance, Participation and Group Assignment (15%):

Attendance will be taken for both lectures and tutorials. The attendance and individual sharing in class will be considered in assigning points for attendance and individual participation. The tutor will lead and initiate the discussion of the homework assignments at the tutorial sessions. Assignments will be collected on a

group basis (four to five members in each group). Students should form groups in the same tutorial but it is NOT necessary to form the same group with your group project members. Each group is responsible to hand in *two* assignments in the tutorial session and is responsible for *participation in the discussion of the corresponding homework assignments*. Assignments will be assigned on a random draw basis. The assignments will be graded based on the accuracy and clarity of the written report. Dates for the discussion of assignments are listed on the course outline. *Homework assignments are put on Moodle. You are responsible for downloading and printing them.*

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILO 5	Extremely well prepared for class discussion, active in sharing views and attend at least 90% of classes.	Partially prepared for class discussion, quite active in sharing views and attend at least 80% of classes.	Not well prepared for class discussion, limited active in sharing views and attend at least 70% of classes.	Not well prepared for class discussion, no sharing of views and attend at least 60% of classes.	Never prepared for class discussion and no sharing of views and attend less than 50% of classes.

AT2. Quizzes (5%)

Two quizzes will be given. The quizzes are part of continuous assessment. A regular assessment urges students to digest the knowledge on a timely basis. The higher quiz score will be used to determine your grades.

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, 3, 4 and 5	Provide accurate solutions to most problems.	Provide accurate solutions to some problems.	Provide accurate solutions to a few problems.	Provide inaccurate solutions to a few problems.	Skip some problems or provide inaccurate solutions to most problems.

AT3. Group Project Presentation (10%)

The presentation and report will be graded based on the following two criteria:

- | | | |
|-----|---|------------|
| i. | Content (Specificity/Creativeness/Use of Materials/
Linkage to a Bigger Picture) | 7% |
| ii. | Presentation Style (Coherence/Clarity/Structure) | 3% |
| | TOTAL | <u>10%</u> |

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, 3, 4 and 5	Very good to excellent ratings on all two criteria.	Good to very good ratings on all two criteria.	Fair to good ratings on all two criteria.	Fair ratings on all two criteria.	Fail to prepare and submit the written assignment.

AT4. Exams (70%)

There will be a mid-term exam and a final comprehensive exam. The *mid-term exam* will be approximately *one hour and 15 minutes* in length and will cover *chapters 14, 15 and 18* in the textbook.

The *final exam* will be *two hours* in length and will be given on a date to be announced by the University later. It will be *comprehensive* of all course topics and materials.

Please ensure that you are available to sit for the exams at the scheduled date and time, as extra-curricular activities will not provide sufficient grounds for deferrals. It is not contemplated that you will miss an exam. *No provision has been made for a make-up exam.* Absences will be dealt with based upon the circumstances. All exams are closed book. You must have your student photo-ID to take an exam. All calculators brought into the exam room may not have any information stored in memories and covers must be removed.

Grading Criteria

ILO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
ILOs 1, 2, 3, 4 and 5	Provide accurate solutions to most problems and give detailed and insightful responses to essay questions.	Provide accurate solutions to some problems and give detailed responses to some essay questions.	Provide accurate solutions to a few problems and give limited responses to some essay questions.	Provide inaccurate solutions to a few problems and give unclear responses to most essay questions.	Skip some problems or provide inaccurate solutions to most problems and give poor responses to most essay questions.

ILO	Teaching and Learning Activities (TLA)				Assessment Tasks (AT)			
	1	2	3	4	1	2	3	4
1	✓	✓	✓		✓	✓	✓	✓
2	✓	✓	✓		✓	✓	✓	✓
3	✓	✓	✓		✓	✓	✓	✓
4	✓	✓	✓		✓	✓	✓	✓
5	✓	✓	✓	✓	✓	✓	✓	✓

(ix.) Study Load

Course Teaching and Learning Activities	Expected contact hour	Study Load (% of study)
T&L1. Interactive lectures	36	30%
T&L2. Tutorials	11	9.17%
T&L3. Group Project and assignments	30	25%
T&L4. Self Study	43	35.83%
Total	120	100%

III. COURSE POLICIES

Class Conduct

Respect your instructor and your fellow students. Be considerate to others.

Students are required to attend all classes (Lecture and Tutorial Sessions) *on time* and should not enter the classroom 15 minutes after the class scheduled starting time. If you have to leave the class early, please inform the instructor before the class begins. Please sit near the door and exit quietly. If you fail to inform the instructor before you leave, no credit will be given for your class attendance.

Students are encouraged to ask questions and to participate in the class as well as in the tutorials. At the same time, maintaining discipline is of utmost importance in this course. Please observe the following class rules when the class is in session:

1. Do not talk to your fellow students.
2. Do not read newspaper or magazine.
3. Do not use your hand phone (please turn off your hand phone).
4. Do not leave the class without permission.

Any violation of these class rules will be subject to point reduction (e.g., 1 point for each violation) and possible dismissal from the class.

Academic Dishonesty

The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>

Academic dishonesty is behaviour in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following types of cases:

- Plagiarism – The representation of someone else’s ideas as if they are one’s own. Where the arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one’s own work. Paraphrasing of someone else’s ideas is still using someone else’s ideas, and must be acknowledged.
- Unauthorized Collaboration on Out-of-Class Projects – The representation of work as solely one’s own when in fact it is the result of a joint effort.
- Cheating on Exams – The covert gathering of information from other students, the use of unauthorized notes, unauthorized aids, etc.

If you are caught in an act of academic dishonesty or misconduct, you will receive an ‘F’ grade for the subject. If your group assignment submitted has been discovered to be an exact copy of someone else’s work, your group will be subject to the penalty for the act of plagiarizing or copying.

Course Outline for Semester 1 of 2016-2017

Dr. Lilian Chan

*Any revision of this course outline will be announced in class and posted on the Moodle.

<i>Teaching Week (Meeting Date)</i>	<i>Chapter</i>	<i>Lecturing Topic and Discussion</i>	<i>Assignment for Tutorial Discussion</i>
Week 1 Sept 1, 5	14	Class Administration Ch. 14: Debt Financing	No Tutorial
Week 2 Sept 8, 12	14	Ch. 14: Debt Financing (Cont'd)	Concept of Present Value
Week 3 Sept 15, 19	18	Ch. 18: Equity Financing	Assignment 1
Week 4 Sept 22, 26	18	Ch. 18: Equity Financing (Cont'd)	No Tutorial
Week 5 Sept 29, Oct 3	15	Ch. 15: Leases	Assignment 2
Week 6 Oct 6, 13	15	Ch. 15: Leases (Cont'd)	No Tutorial
Reading Week (Oct 17 – Oct 23)			
Week 7 Oct 24, 27	16	Ch. 16: Income Taxes	Assignment 3
Week 8 Oct 31, Nov 3		Mid-Term Exam (TBD) Chapters 14, 15 & 18	Loss Carry-Forward
Week 9 Nov 7, 10	19	Ch. 19: Earnings Per Share	Assignment 4
Week 10 Nov 14, 17	App A.	App A: Accounting for Derivatives and Hedging Activities	Mid-Term Exam Review
Week 11 Nov 21, 24		Group Project Presentation	Assignment 5
Week 12 Nov 28		Group Project Presentation	Assignment 6
Comprehensive Final Exam (2 Hours) Chapters 14, 15, 16, 18, 19 & App A.			