

Lingnan University
Department of Accountancy
Course Syllabus: Summer Term, 2023/24

Course Title	: Financial Accounting
Course Code	: BUS1103
Recommended Study Year	: Year 1 / Year 2
No. of Credits/Term	: 3
Mode of Tuition	: Sectional Approach
Class Contact Hours	: 42 hours (3-hours lecture per week)
Category	: Foundation Core
Prerequisite(s)	: NIL
Co-requisite(s)	: NIL
Exclusion(s)	: NIL
Exemption Requirement(s)	: NIL

Brief Course Description:

Financial accounting is primarily concerned with the reporting of the operational performance and financial condition of a business organization to external users for investment, credit and other relevant decisions. For comparability purposes, financial reports are prepared based on a set of generally accepted accounting principles and in a general-purpose format.

Aims:

The objectives of this course are to enable undergraduate students to understand the accounting process that generates reports and to analyze financial reports, to apply the accounting conceptual framework to analyze business situations and problems, to be equipped with foundational financial accounting skills and knowledge, to be able to apply information technology in business situations and to identify and resolve ethical issues in business settings.

Learning Outcomes (LOs):

Upon completion of the course, the student should be able to:

1. discuss the role of accounting in business organization and in the capital market;
2. make judgments on the ethical issues involved in financial reporting;
3. discuss the accounting assumptions, principles and limitations underlying the preparation of financial statements and apply them to different circumstances;
4. prepare the four essential financial statements; explain their basic uses and their inter-relationship; and
5. manually work through the accounting cycle and use accounting software to prepare financial statements based on a given set of business transactions.

Indicative Contents:

- An overview of the role of accounting and accounting information in business organizations and capital markets;
- Accounting ethics in general and specific issues relating to financial accounting;
- An overview of the basic accounting model including how business transactions affect the model, how basic financial statements are generated from the model, the relationships among the financial statements and their primary uses;
- Basic accounting principles and assumptions underlying the preparation of corporate financial information and the limitations of accounting information;
- Basics of the manual accounting process which includes:
 - how to record transactions;
 - how to summarize and organize the accounting data periodically;
 - how to report summarized data in a set of general-purpose financial statements; and
 - how to close the temporary accounts of the current cycle to restart the next cycle;
- Measurement issues of major assets, liabilities and shareholders' equity:
 - Concepts and methods for reconciling cash records and bank statement balances;
 - Concepts and methods for measuring uncollectible accounts receivable and comparisons of their impact on the book values of accounts receivable;
 - Concepts and methods for measuring cost of goods sold and ending inventory and comparisons of their impact on profits and asset values;
 - Concepts and methods for measuring the book value of property, plant and equipment and intangible assets, including various methods of computing depreciation or amortization and comparisons of their impact on financial statements;
 - Types of liabilities and accounting for liabilities; and
 - Accounting for the issuance of shares, dividend declaration and payment, stock splits, stock dividends, treasury stock transactions and their impact on financial statements;
- Preparation and understanding of the statement of cash flows.

Teaching Method:

1. Classes

Instructors will use PowerPoint slides in most classes.

2. Assignments

Students will be asked to complete assignments covering essential topics of Chapters 1 to 12 (excluding Chapter 5).

3. Computerized Accounting Project using *Mind Your Own Business (MYOB)* software

Students will learn how to use the software to complete a project which includes each step of the accounting cycle.

4. Ethical Dilemma Analysis

Students will learn how to analyze ethical dilemmas based on the HKICPA's ethical principles and will be given an analysis assignment immediately preceding the midterm exam.

5. Midterm and final examinations

Students will be given one mid-term exam covering Chapters 1 to 4 and Chapter 6 (Sales Revenue), and one final exam covering chapters 1 to 12 (excluding Chapter 5). Both exams will be closed-notes and closed-book.

Measurement of Learning Outcomes:**1. Class Participation (5% towards final grade)**

Students are expected to contribute to all classes and will be assessed on their attendance, their contribution to class discussion, and their preparedness for class. (LO1, LO3, LO4, LO6).

2. Online Assignments (10% towards final grade)

The assignments are accessed online and cover essential topics from various chapters. The assignments are used to measure students' understanding of conceptual and basic technical questions for the chapters that have been covered. (LO1, LO2, LO3, LO4, LO6).

Students are required to submit the online assignments on a weekly basis, each contributing equal weighing towards your final grade. In order to receive full credit for each online assignment, students need to both submit it on time and obtain at least 40% of the available marks. Any late submission is not granted any credit. Students are allowed two attempts for each assignment, and the higher score out of the two will be counted.

3. Computerized Accounting Project using *Mind Your Own Business (MYOB)* software (5% towards final grade)

This is an assignment used to assess whether students can use information technology to record various business transactions and prepare financial reports based on a given set of information. Students are expected to learn how to use this software themselves in completing the project, although workshops to aid understanding of the software may be made available. (LO5).

4. Ethical Dilemma Analysis (5% towards final grade)

Students are expected to complete an Ethical Dilemma Analysis based on a hypothetical case following the ethical standards taught in class. This assessment is used to test students' ethical awareness in business dealings so they will be able to make judgments regarding ethical issues involved in financial reporting. (LO2). This assessment is given together with the midterm exam, below.

5. Midterm and Final Examinations (75% towards final grade)

The closed book written exams are used to enhance and assess students' overall ability to apply and integrate past learning in addressing specific financial accounting issues and problems. The midterm exam (25% towards final grade) includes multiple choice questions and long problems while the final exam (50% towards final grade) includes long problems only. (LO1, LO3, LO4, LO6).

Assessment:

Class Participation	5%
Online Assignments	10%
Computerized Accounting Project	5%
Ethical Dilemma Analysis	5%
Mid-term Examination	25%
Final Examination	<u>50%</u>
Total	<u>100%</u>

Notes:

- Students absent from the exams will receive zero marks except for highly unusual circumstances that cannot be controlled and avoided by the students. Should such circumstances occur, students concerned must provide valid documentary proof.
- If the University adopts the real-time online teaching mode, students will be required to submit their assignments and exam answers online at the scheduled time.

Required/Essential Readings:

Financial Accounting, McGraw-Hill Education (11th International Student Edition), by Libby, Libby and Hodge.

Students must purchase the e-edition of the textbook, which is bundled with CONNECT access license. This CONNECT access license allows students to access and complete the online assignments accounting for 10% of course assessment.

Course Policy:

1. Class attendance and participation: Students are required to attend all classes and are strongly encouraged to participate in class discussions and all other activities in the classroom. Students will not be penalized for expressing something incorrect. Students are also required to observe appropriate classroom behaviour, such as turning off their mobile phones and refraining from talking among themselves. Please be punctual.
2. Course preparation: Students are required to read the relevant chapter(s) ahead of each class. This allows students to pay more attention during the lecture to issues that they have difficulty understanding on their own.
3. Homework assignments: Students are required to submit all homework assignments and online exercises before the specified deadlines. The purpose of the assignments and exercises is to encourage active learning and mastery of the materials taught in the class. It is essential to work on these assignments and exercises in order to achieve good performance in the course.
4. Examinations: Both mid-term and final exams are closed-book and closed-notes. The final exam is cumulative and will include topics covered in the mid-term exam.
5. University Guidelines and Regulations: Students must read and follow the University's Guidelines for Learning (<http://www.ln.edu.hk/reg/info/englearning.pdf>) and Regulations Governing University Examinations (http://www.ln.edu.hk/reg/docs/ar_exam.pdf).

Important Notes:

1. Students are expected to spend a total of 9 hours (i.e., 3 hours of class contact and 6 hours of personal study) per week to achieve the course learning outcomes.
2. Students shall be aware of the University regulations about dishonest practice in course work, tests and examinations, and the possible consequences as stipulated in the Regulations Governing University Examinations. In particular, plagiarism, being a kind of dishonest practice, is "the presentation of another person's work without proper acknowledgement of the source, including exact phrases, or summarized ideas, or even footnotes/citations, whether protected by copyright or not, as the student's own work". Students are required to strictly follow University regulations governing academic integrity and honesty.
3. Students are required to submit written assignment(s) using Turnitin.
4. To enhance students' understanding of plagiarism, a mini-course "Online Tutorial on Plagiarism Awareness" is available on <https://pla.ln.edu.hk/>.

BUS1103 Financial Accounting
Course Rubric: Class Participation (5% of total assessment)

Performance level	Very Good	Satisfactory	Unsatisfactory
Attendance / Promptness 20%	Student is always prompt and regularly attends classes.	Student is rarely late to class and rarely misses classes.	Student is often late to class and/or has poor attendance of classes.
Level of Engagement in Class 20%	Student always proactively contributes to class by offering ideas and asking questions.	Student sometimes proactively contributes to class by offering ideas and asking questions once per class.	Student seldom/ never contributes to class by offering ideas and asking questions.
Listening Skills 20%	Student always listens when others talk.	Student usually listens when others talk.	Student often does not listen when others talk.
Preparation for Class 40%	Student is always well prepared for class.	Student is usually well prepared for class.	Student is often not well prepared for class.

BUS1103 Financial Accounting
Course Rubric: MYOB Project (5% of total assessment)

Performance level	Very Good	Satisfactory	Unsatisfactory
Business transactions are recorded appropriately. (50%)	Entries are always recorded appropriately.	Entries are generally recorded appropriately.	Entries are often not recorded appropriately.
Financial statements are well prepared. (40%)	All financial statements are reported without any mistakes.	Financial statements are reported with few mistakes.	Financial statements contain many mistakes or are incomplete.
Final report is in compliance with the guidelines. (10%)	Final report is closely in compliance with the guidelines.	Final report is largely in compliance with the guidelines with some unrelated output.	Final report is not in compliance with the guidelines.

BUS1103 Financial Accounting
Course Rubric: Ethical Dilemma Analysis (5% of total assessment)

Performance level	Very Good	Satisfactory	Unsatisfactory
Identification of stakeholders and how affected. (30%)	Student identifies all major stakeholders and how affected.	Student identifies some major stakeholders and how affected.	Student identifies no major stakeholders and how affected.
Identification of ethical issue (10%)	Student clearly identifies ethical issue.	Student partially identifies ethical issue	Student fails to identify ethical issue.
Identification and application of relevant ethical principles. (30%)	Student identifies and applies all relevant principles.	Student identifies and applies some relevant principles.	Student identifies and applies very few/ no relevant principles.
Identification of appropriate ethical solutions to the issue (30%)	Student identifies appropriate ethical solutions.	Student partially identifies appropriate ethical solution.	Student does not identify appropriate ethical solution.

BUS1103 Financial Accounting
Course Rubric: Online Assignments, Mid-term Examination and Final Examination (85% of total assessment)

Performance level	Very Good	Satisfactory	Unsatisfactory
Success and comprehensiveness of calculations (40%)	Calculations attempted are essentially all successful and sufficiently comprehensive.	Calculations that are attempted are mostly successful and sufficiently comprehensive.	Calculations are mostly unsuccessful and are not comprehensive.
Items are appropriately included/excluded (40%)	Essentially all items are included/excluded appropriately.	Most items are included/excluded appropriately.	Most items are not included/excluded appropriately.
Statements are appropriately presented. (20%)	Statements are essentially appropriately presented.	Statements are mostly appropriately presented.	Statements are in general not appropriately presented.