



MICHIGAN
ROSS SCHOOL OF BUSINESS

ACCOUNTING 471
PRINCIPLES OF ACCOUNTING
SECTION 003
FALL 2007

Course Instructor:

Instructor: Andreas Simon
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Office Hours: Monday, 1:00 – 3:00pm in SEB Room 2340, and by appointment

Course Info:

Section: 003
Time: Tuesday, 6.30 – 9:30 pm
Room: 1449 Mason Hall (MH)
Prerequisites: No credit in ACC 271, Non-Bus, junior and above, elective

Course Description:

This course is designed to enable students majoring in nonbusiness fields to obtain an understanding of business transactions and the fundamentals of the accounting systems used to record and report financial data of business entities. Emphasis will be placed on basic accounting concepts and principles and their application to the process of preparing financial statements from a *user-oriented* perspective (as opposed to a *preparer-oriented* perspective). Frequent use of actual corporate annual reports and articles from the financial press will occur in lecture and homework applications. In addition, the course provides insight on how a person external to the firm can use the financial statements produced by the accounting system to make decisions about the firm's performance and how to evaluate an appropriate amount to pay for an issued share of the firm.

Resources:

Textbook: *Introduction to Financial Reporting and Analysis* (Fourth Edition), by Imhoff and Klemstine (2007), ISBN # 0-9747098-6-7

Note: This book is only available at the Michigan Union Bookstore, 530 South State Street, 734-995-8877

CourseTools Site: <http://ctools.umich.edu/>

Course Component Weighting:

The student's course grade will be based on *Homework, a Midterm Exam, a Semester Project, and a Comprehensive Exam*, weighted as follows:

5 Homework Assignments (equally weighted)	20%
3 Exams (equally weighted)	45%
1 Semester Project	35%
Total	100%

Grades in the course will be based solely on total points from homework assignments, exams, and the semester project as shown above. Evaluations of effort or patterns of improvement will not be considered in determining the course grade. I am aware that unusual circumstances sometimes arise which could adversely or beneficially impact your performance on examinations. However, attempts by me to adjust for these circumstances would be arbitrary and unfair to others in the course.

Homework Assignments:

Homework assignments consist of Problems (P) and Quizzes (Q) from the text. These assignments reinforce the topics covered in the text and lectures and provide a variety of settings in which to discuss the material. The homework assignments will reinforce the course concepts and help you to gauge how well you know the material. **Homework is due at the beginning of each class** and will be graded on the basis of **completeness, not correctness**. An on-time, complete, conscientiously prepared homework assignment will receive full credit even if the answers are not entirely correct. Hence, homework will be graded as receiving either full credit (4 points) or no credit (0 points). **No partial credit is available**. There are 8 homework assignments. You may miss 3 homework assignments without penalty. **Therefore, no late homework will be accepted**. Following is the schedule of homework assignments.

HW#	HOMEWORK ASSIGNMENTS	DUE DATE
HW 1	1-1, 1-3, 1-5, 1-7, 1-8, 1-9, 1-13, Quiz #1	11-Sep
HW 2	2-3, 2-4, 2-6, 2-7, 2-9, 2-17, Quiz #2	18-Sep
HW 3	3-1, 3-3, 3-4, 3-5, 3-6, 3-7, 3-8, Quiz # 3	25-Sep
HW 4	4-3, 4-4, 4-5, 4-7, Quiz #4, 5-2, 5-6, 5-8, 5-10	23-Oct
HW 5	5-15, 5-16, Quiz #5, 6-1, 6-3, 6-5, 6-7, 6-8, Quiz #6	30-Oct
HW 6	7-3, 7-4, 7-5, 7-7, 7-10, 7-18, 7-19, 7-20, Quiz # 7	20-Nov
HW 7	8-1, 8-2, 8-3, 8-5, 8-6, 8-7, 8-9, 8-13, Quiz # 8	27-Nov
HW 8	9-1, 9-3, 9-5, 9-7, 9-8, Quiz # 9	4-Dec

Exams:

There will be three exams during the term. The exams will be given in class and will be open-book. In general, they will not be comprehensive in nature. There is no final examination. The following are the tentative dates for the exams:

Exam #1	2-Oct
Exam #2	6-Nov
Exam #3	11-Dec

Make up exams will not be given except in the case of an extraordinary circumstance. Read the following link before asking for a makeup exam so that you can understand what qualifies as extraordinary in the mind of an accountant: <http://www.dushkin.com/text-data/weekly/cm10-22-01.mhtml>

Request for re-grade has to be in writing within one calendar week following the return of the exam. You will have to submit the original exam and a written explanation of the points of contention. If the re-grade request is made after one calendar week or without an accompanying written explanation, no re-grade will be given. All re-grade requests will be reviewed seriously and your grade can be adjusted in either direction. All re-grade decisions are final.

Semester Project:

The main purpose of the project is to increase students' familiarity with historical financial statements of actual companies, and to enable students to apply some of the basic concepts introduced throughout this course to analyse the financial statements and more importantly to value an actual company. **The project is to be done on a group basis. Each group must consist of 2 or 3 students.** Students within a group should collaborate with each other to complete the project. Each group will only need to submit ONE assignment. Students are encouraged to discuss issues together, however, the written work you submit must be entirely your own group's. Similarly, you must not help another student to cheat by lending assignments. Further information regarding the project's requirements will be available **after Exam 2** as we do not cover the materials required for the preparation of the project until lectures 9 and 10 are completed.

Conduct of the Course:

The honor code policy applies to your conduct in this course. The attached course outline shows the topic for each class and the exam schedule. I have planned the lectures assuming that all students will have read the relevant textbook chapters prior to class.

Services for Students with Disabilities:

If you think you need an accommodation for a disability, please let me know at your earliest convenience. Some aspects of the course, the assignments, the in-class activities, and the way I teach may be modified to facilitate your participation and progress. As soon as you make me aware of your needs, we can work with the Office of Services for Students with Disabilities to help us determine appropriate accommodations. I will treat information you provide as private and confidential.

Course Outline:

The attached outline shows the tentative course outline and the exam schedules.

**ACCOUNTING 471 – Fall 2007 - Tentative
COURSE OUTLINE (ALL CLASSES HELD IN 1449 MH)**

No.	DATE	Reading	TOPIC
1	4 Sep	Ch. 1	Introduction The Financial Statements
2	11 Sep	Ch. 2	The Accrual Basis of Accounting
3	18 Sep	Ch. 3	Recordkeeping and Analysis
4	25 Sep	Ch. 3	Recordkeeping and Analysis (cont'd) Exam #1 Review
5	2 Oct	Ch. 4	EXAM #1, CHAPTERS 1-3 Accounts Receivables and Cash
6	9 Oct	Ch. 4 Ch. 5	Accounts Receivables and Cash Inventories
7	16 Oct		FALL BREAK – NO CLASS
8	23 Oct	Ch. 5 Ch. 6	Inventories (cont'd) Long term assets
9	30 Oct	Ch. 6	Long term assets (cont'd) Exam #2 Review
10	6 Nov	Ch. 7	EXAM #2, CHAPTERS 4-6 Long term liabilities
11	13 Nov	Ch. 7	Long term liabilities (cont'd)
12	20 Nov	Ch. 8	Shareholder's Equity
13	27 Nov	Ch. 9	Primary flow statements
14	4 Dec		SEMESTER PROJECT DUE Exam #3 Review
15	11 Dec		EXAM #3, CHAPTERS 7-9