



Economics/Management 4:- Financial Accounting Spring 2011

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Lectures 5-6:20pm Mondays and Wednesdays – Center 101

Materials:

1. FINANCIAL ACCOUNTING READER, "SPRING 2011 EDITION", UCSD Bookstore.
2. Nordstrom ("JWN") Form 10K (FY 2011). Available online - try *MSNmoney.com*.
3. Online Tutorials *Simple Studies.com* at <http://simplestudies.com/>
4. LIAR'S POKER, Michael Lewis.

Course Objective:

This course is an introduction to financial accounting (assumes no prior knowledge of accounting) and plays the role of two prerequisites: for the Rady School of Management's *accounting minor* and for Corporate Finance (Econ 173B). Thus, we will study basic book-keeping, principles of accrual accounting, financial reporting and analysis, and the time value of money. We will strive to achieve competency in both the production and the analysis/use of financial accounting.

Guidance

The course webpage is an ongoing guide to the course. Students should check it often. It offers links to accounting resource including tutorials and a glossary, lecture slides, readings, instructions for class-preparation, *Your Scores*, and documents to *print & bring-to-class*.

Professor Willoughby's office hours can be found on his course calendar at:

<http://econ.ucsd.edu/~mwilloug/mwilloughby.html>

Attendance is mandatory for this class!

Course Deliverables: Grades will be based on:

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| a) Home-works from the Reader. | 6 points |
| b) A PowerPoint presentation due April 11 th . | 10 points |
| c) Quizzes: April 18 th and late in the course. | 14 points |
| d) A Midterm exam on April 25 th or May 2 nd – TBD. | 25 points |
| e) A Final Exam on Friday June 10 th | 45 points |

PowerPoint Presentation: Students will be assigned a publicly-traded company and given a template of slides to adapt to their company and turn-in. No mistakes are allowed for full-credit, i.e. one mistake will result in a score of “0”. However, redos with no mistakes can earn 50 percent of full credit.

Homeworks: Several homework assignments identified in the Reader (Appendix F) will be due when announced. Each will be worth 2 points.

Quizzes: There will be two quizzes. The first will be given on Monday of 4th week and will be based on the Reader and lectures. The second will be unannounced.

Exams: Both exams will include multiple choice, problem-solving, and essay questions.

For both Quizzes and both Exams students may bring one 3x5 index card with “hand-written” notes, both sides.

No make-up Quizzes or Exams; no late assignments will be accepted.

If you run-into an emergency or a UCSD-sponsored conflict, inform me as soon as possible. Once your conflict has been documented, points for the missed assignment will be rolled-over to the next, similar, graded assignment.

Course Schedule.

A course schedule and reading list will be published at the end of each week for the next week. Check the course webpage. Broadly, we will follow this topical schedule:

- a) Conceptual Foundations of Financial Accounting
- b) The book-keeping process: debits, credits, trial balances.
- c) Financial Statements (including the Statement of Cash Flows).

- d) Accounting choices: revenue recognition issues, capitalization & amortization, inventory valuation, and allowances & reserves.
- e) Ratio analysis.
- f) Compounding & discounting.

Important Administrative Rules.

At the end of 2nd week, students will be given “numbers” to identify their work for grade recording purposes. Numbers will be assigned in alphabetical order. Student numbers are required on all assignments. No number, no score, no exceptions.

Grades:

Final grades will be based on a *weighted total score scaled to 100-points* and curved at the following reference points:

- The class average will establish the lowest B-.
- 90.00 points or higher is guaranteed an “A”.
- At least 60 points will be needed to *Pass* the course, i.e. for the lowest C-.
- Less than 50 points will be the threshold for an F.
- In-process scores will be published frequently and it the students’ responsibility to insure that his/her scores are accurate. No changes will be made the earlier of two weeks from the due date of an assignment or after 9th week.

Academic Integrity

Students are expected to know and comply with the UCSD Code of Academic Integrity. Any infraction will be reported. In addition, all violations will be treated, for purposes of the course, equally and will result in an “F” grade for the course. Furthermore, sound ethical behavior is also expected of every student in this course. Any behavior that purposefully and unfairly conveys a grading advantage will be considered a breach of ethics and will be referred to the AI Coordinator as a violation of the Academic Integrity Code. Moreover, in any case that involves a conspiracy (of any sort), both the perpetuator and the beneficiary will be treated, for purposes of reporting and punishment, equally