

The University of Illinois at Chicago
College of Business Administration
Department of Accounting

Accounting 417 – Advanced Accounting

Spring Semester 2008 - 3 credit hours

Prerequisite: Accounting 316

Class Section 10073/19093 meets on M 6:00 PM to 9:00 PM LC-E2

| | | |
|-------------|---|------------------------|
| Instructor: | Abel Galvan, CPA, MBA | Email - galvan@uic.edu |
| | Office : 2319 University Hall | Phone: 312-413-8965 |
| | Office Hours: /W/. – 3:00 PM to 5:45 PM | |

Catalog Description: Financial accounting theory for business combinations, consolidated financial statements, international transactions, partnership accounting and accounting for derivatives.

Required Materials:

1. Hoyle, Schaefer, & Douppnik,, Advanced Accounting, 8th Edition, McGraw-Hill Irwin – Custom book has been ordered

Course Structure

The material covered in this course examines advanced issues in financial accounting and reporting, some of the chapters are longer and more complex, therefore we will spend 1-3 classes per chapter depending on the length and complexity of the material. You are expected to (1) have read the chapters before class in order to participate in the class discussions and (2) make a good effort to solve homework problems before the class. The tentative class schedule is provided and will be adjusted as we progress through the material during the semester.

Online resources link to book web site www.mhhe.com/hoyle8e

McGraw Hill has online quizzes for each chapter, EXCEL worksheets for selected problems and CPA simulations for Chapters 3, 5. Use these resources to help you get through the class, test and reinforce your knowledge of the materials covered in class.

Course Requirements and Grading:

| | |
|--------------------------|-----------------|
| First Exam | 28 points |
| Second Exam | 27 points |
| Final Exam Comprehensive | 35 points |
| Chapter Quizzes | 4 points |
| Homework | <u>6 points</u> |
| | 100 points |

No Curve

A = 90% of course points

B = 80% of course points

C = 70% of course points

D = 60% of course points

In = Incomplete assigned only under conditions specified in the University catalog.

Keys to Success:

Exams will be based on *textbook*, *lectures*, and *homework* assigned.

Expect the reading for each week's assignment to take two to three hours to complete and another 2 hours to complete the assigned homework. Make sure that you **read and review** the Comprehensive illustration problem and solution at the end of each chapter. This material will help you understand the chapter and help you set up your homework problems to arrive at correct solution.

Here are my guidelines to success in this class:

Homework

All homework assignments must be turned on the due date. No exceptions

This class is homework intensive. The homework assignments come from the textbook or class handouts. All work has to be completed to the best of your ability before you come to class so that you can participate in class activities and discussions. **You will earn a total of 6 points toward your final grade for homework assignment that you complete and turn in on time.** Homework will be collected periodically during the semester and must be 100 % complete to receive the homework points. You may be called upon and will be required to present and explain your solution to the homework problems on the black board. You **may not do** your homework during the discussion in class if you do, you will forfeit your homework points.

Computations

The kind of problems we will be doing can be very time consuming if done by hand. I encourage you to do all problems requiring computations using Excel. **Problems designated as Excel problems must be done on Excel to receive credit.**

Essay-type

Responses to questions must be written out in pencil or pen using proper grammar and sentence structure. One word responses are not acceptable.

Accounting Research Project

Some students will research FASB 133, Accounting for Derivative Instruments, in order to gain a thorough understanding of accounting for derivatives and hedging. Other students will research Variable Interest Enterprises (Special Purpose Enterprises). These items will be discussed in detail during the first day of class.

Attendance

You are encouraged to attend class as often as possible. You are expected to show up on time to minimize the disruption of the class. Missing one class in is like missing several classes in a non-analytical course so attendance is critically important. There will be numerous in-class exercises during the semester. **You can't participate if you miss class.** Be prepared to discuss and ask questions.

Chapter quizzes

There will be unannounced quizzes for a total of 4 points. No make up or second chances.

Examinations

The format for the examinations will consist of problems requiring complex and time consuming computations.

Team Project

On the first day of class you will form into teams and each team will be assigned a research activity related to derivatives or Variable Interest Enterprises. A teaching presentation is due on 4/28/08.

Honor Code and Decorum

The University adopted an Honor Code, which relates to issues dealing with Academic integrity. You are subject to this honor code. Plagiarism and or gaining an unfair advantage over other students (aka cheating) will not be tolerated.

Turn off your cell phones during class.

Any changes to this syllabus will be announced in class.

Course Tentative Schedule

Q = Questions

P = Problems

| Date | Topic | Assignment - Due |
|------|---|--|
| 1/14 | Introduction Chapter 1 - The Equity Method of Accounting for Investments | |
| 1/28 | Continue - Lecture The Equity Method of Accounting for Investments | Read Chapter 1 Q 1,2,3,4, 8,11,and 13 P1- 2, P1-3, P1-4, P1-5, P1- 6, P1-14, P1-22, P1-23, P1-24, P1-25, P1-26, P1-27 Read Chapter 2 |
| 2/4 | Complete – Chapter 1 Chapter 2 – Consolidated Financial Statements | CH 2 - Q 3, 4, 7, 9 P2- 6, P2- 8, P2- 9, P2- 13, P2- 14, P2- 15, P2- 16 P2- 22 b, P2- 24, P2- 25 |
| 2/11 | Continue - Lecture Chapter 2 – Consolidated Financial Statements | P2- 26, P2-28, P2-29, P2-33, P2-37 Read Chapter 3 |
| 2/18 | Chapter 3 Consolidations Subsequent to Date of Acquisition | Q 4, 7, 8, 14 P3-26, P27 |
| 2/25 | Continue - Lecture Chapter 3 Consolidations Subsequent to Date of Acquisition | P3- 3, 6, 7, 25(a,b,c, d), P 29, 30, 34 (a,b) |
| 3/3 | Exam 1 | Read Chapter 4 |
| 3/10 | Lecture Chapter 4 Consolidated Financial Statements and Outside Ownership | CH 4 Q-1, 2,3, 4, 5 P4- 9, P4-20, |
| 3/17 | Continue - Lecture Chapter 4 Consolidated Financial Statements and Outside Ownership | P4-22, P4-32, P4-40 Read Chapter 5 |
| 3/31 | Lecture - Chapter 5 Consolidations Financial Statements – Intercompany Transactions | CH 5 - Q-1, 4, 6, 11, 12 P5-10, P5-11, P5-12, P5-13, P5-14, P5-15, P5-17, P5-32 |
| 4/7 | Lecture - Chapter 6 VIE, Intercompany Debt, - Preferred Stock | Read Chapter 6 p 258 -280 Q 1, 2, 3, 10,11 P6-10, P6-11, P6-15, P6-16 |

| | | |
|------|---|--|
| 4/11 | Make up session Exam 2 TBA | Read Chapter 9 Pp (409 – 417 |
| 4/14 | Lecture – Chapter 9 Foreign Exchange Accounting for Derivatives Lecture Chapter 15 - Partnerships – Formation and Operations (Baker) | CH 9 - Q 1, 2, 3, 4 P 1, 4 Read Chapter 1 (Trombley) Partnerships P15 – 11 P15 - 12, P15-13, P15-15 |
| 4/21 | Lecture - Chapter 16 – Partnerships: Dissolution and Liquidation | Read Chapter 16 P16-13, P16-15, P 16- 19, P16-20 |
| 4/28 | Class Presentations | |
| 5/5 | Final Exam | |