

ALABAMA STATE UNIVERSITY
COLLEGE OF BUSINESS ADMINISTRATION
DEPARTMENT OF ACCOUNTING AND FINANCE
COURSE SYLLABUS

Course Number:	ACT 512	Instructor:	Jean G. Crawford
Course Title:	Advanced Financial Reporting	Title:	Chair, Department Accounting & Finance
Course Credit Hours:	3 Sem. Hours	Office:	BA 112 D
Semester:		Office Hours:	Posted
Course Prerequisites:		Telephone:	229-4134
Course Offered:			

DEADLINE FOR WITHDRAWAL: University Policy

CLASS ATTENDANCE POLICY: Class attendance is required. After three absences, ten points will be deducted from the student's final grade. After four absences, the final grade is automatically dropped to an "F".

TEXT REQUIRED: Advanced Accounting; Jeter and Chaney, Second Edition, Wiley.

REQUIRED SUPPLEMENT: Business Week

COURSE OBJECTIVES:

1. To understand (be able to compare and contrast) internal expansion issues (subsidiary and branch forms of organization) and prepare consolidated financial statements.
2. To understand and prepare journal entries for the cost method and equity method of valuing parent's investment in a subsidiary; the way to prepare a full set of consolidated statements at reporting dates subsequent to the creation date of a subsidiary; the way to present a parent's separate financial statements in notes to the financial statements when required.
3. To understand financial reporting for partially owned created subsidiaries; the way to handle a noncontrolling interest when preparing consolidated statements; understand and describe the different ways to control an entity; understand and describe the way earnings of domestic groups are taxed.
4. To understand consolidated financial statements and external expansion issues: the legal and business environment, change versus no change in the basis of accounting issues, nature and controversy surrounding computation of goodwill, business reasons for acquiring assets versus common stock, basic tax considerations in business combinations, and the FASB's proposed new business combination and goodwill rule.
5. To understand the purchase method of accounting at date of acquisition – 100% ownership; be able to calculate the acquirer's cost of an acquisition; be able to allocate the acquirer's cost to the various assets of the acquired business, be able to prepare consolidated statements for 100%-owned acquired subsidiary, to subsequently assess the carrying value of goodwill; and be able to apply the purchase method when control is achieved as a result of purchasing several blocks of stock over time.

6. To understand and apply the purchase method of accounting for the parent's investment in post acquisition periods with full and partial ownerships.
7. To understand the pooling of interests method of accounting; be able to record a pooling of interests for different situations; be able to prepare comparative consolidated statements after a pooling of interests has occurred.
8. To understand different types situations in which a new basis of accounting might be appropriate; to understand inter company transactions.
9. To understand changes in a parent's ownership interest, the three ways in which the parent's ownership level in a subsidiary can change.
10. To understand foreign transactions and foreign operations; the alternative ways for U.S. companies to sell products and services in foreign countries; the currency exchange rate system; the causes of exchange rate changes; be able to prepare journal entries for foreign currency importing and exporting transactions.
11. To understand using derivatives to manage foreign currency exposures and prepare journal entries to record same.
12. To understand and be able to translate foreign currency statements using the current rate method.
13. To understand and prepare interim period financial reports.
14. To understand and identify the Securities and Exchange Commission's required reports: 10Q, 10K, 8K, etc.
15. To understand and prepare journal entries and financial statements relative to bankruptcy reorganizations and liquidations.
16. To understand partnerships; prepare journal entries for their formation and operation; define the various types of partnerships that can be formed; list the distinguishing feature of partnerships; list the way to form a partnership; identify and prepare schedules and journal entries to share partnership profits and losses; identify and describe financial reporting issues peculiar to partnerships; and describe fundamental income tax aspects of partnerships.
17. To Understand changes in ownership of partnerships, identify the way and prepare journal entries to treat partners equitably when changes in ownerships occur; be able to apply the bonus and goodwill methods and prepare journal entries when changes in partnership ownership occur. Identify the legal ramifications and tax aspects of changes in ownership.
18. To Understand partnership liquidations; be able to identify and describe safeguards that all partnerships should use to minimize inequities in the event of a liquidation. Be able to apply the rule of set-off; explain the marshalling of assets doctrine; prepare a statement of realization and liquidation; prepare a plan to properly distribute cash to partners in an installment liquidation and prepare journal entries.
19. To complete a term paper on an instructor approved topic. The term paper is to be complete in all respects including introduction, references, and relevant conclusions.

EVALUATIONS:

Students will be evaluated on all objectives through case studies, examinations, and additional work to be assigned by the individual instructor, including but not limited to a term paper. Each of these items and evaluation methods will be discussed under the appropriate sub-heading below.

CASE STUDIES:

A series of cases and problems, supplemented by questions will be assigned. Written answers to assigned cases and questions will be discussed in class. Each student should be prepared to participate in the class discussions concerning the questions and accounting problems in the assigned cases and to give his/her opinion as to the appropriate resolution of the problem. Proper presentation will entail in-depth study of the financial accounting standards that bear on the resolution of the accounting problems encountered in the class.

EXAMINATIONS:

There will be three in-term examinations and one final examination. Each of the four exams will consist of cases, questions and problems.

Interim exam 1 will cover objectives 1 through 4 in depth.

Interim exam 2 will cover objectives 5 through 9 in depth.

Interim exam 3 will cover objectives 10 through 15 in depth.

The final exam will cover objectives 16 through 18 in depth, and objectives 1 through 16 in summary.

Any exam may be missed only for (a) death/serious illness in the immediate family; or (b) National Guard or Reserve duty. Proof of such death/illness or duty must be presented to the instructor, who will then at his/her discretion, either grant a make-up exam or make such other arrangements as he/she feels are suitable. In the case of missed final exams (with the required proof). A grade of "I" may be granted. This "I" grade must be cleared at the first possible opportunity and in no case later than the mid-term week of the immediately following semester. The "I" grade will not be granted for any other reason not specified above.

TERM PAPER:

A term paper will be required in the course on a narrowly-defined contemporary accounting topic. The subject must have advance approval of the instructor. The deadline for obtaining approval is the 4th week of class. The paper must be submitted by the 8th week of class. The paper should be 10 to 12 double-spaced typed in length. The topic should be discussed thoroughly in the paper.

ADDITIONAL INSTRUCTOR – ASSIGNED WORK:

This may consist of reports on journal articles, computer exercises or problems, quizzes, etc., at the discretion of your instructor. Evaluation standards will be provided with assignment.

GRADE DISTRIBUTION:

	<u>Points</u>	<u>Percent</u>
Interim Exams	200	40%
Instructor Assignments	50	10%
Term Paper	100	20%
Final Exam	<u>150</u>	<u>30%</u>
Grand Total	500	100%
Grades:	A	90% - 100%
	B	80% - 89%
	C	70% - 79%
	D	60% - 69%
	F	< - 60%

Students have to pass all of the objectives with at least 80% of the points available for the objective.

Objectives 19, the term paper will be worth 20% of the final grade. The paper will be graded on logical presentation, organization, grammar and punctuation, references and citations. In order to pass objective 19, the student must earn at least 80% of the points available for the objective.

Students have to make at least a “B” grade (80% of the total available points) to pass the course.

CLASS ATTENDANCE:

Each student is expected to attend all lectures, seminars, laboratories, and field work for each registered class session, in order to verify registration with instructors, and to complete all work assigned for the course.

If a student does not attend class during the first week (first five instructional days) of the semester and does not give prior notification to the instructor of reasons for absences and intent to attend the class, the student shall be dropped from the course.

At the beginning of the class, the instructor is responsible for having listed on his/her syllabus the University Attendance Policy. Instructors of courses are not obligated to provide make-up opportunities for students who are absent, unless the absences have been officially approved. An officially approved absence, however, merely gives the individual who missed the class an opportunity to make up the work and in no way excuses him from the work required.

Official excuses are granted by the office of Student Affairs for authorized University activities, verified personal illness, or illness or deaths in the immediate family.

Any student whose unexcused absences from a course exceed one and a half (1½ times the number of credit hours assigned to the course will be assigned a grade of an F.

Absences will count from the first official date of classes and not from the first day the student attends. Students receiving veterans benefits are required to attend classes according to the regulations of the Veterans Administration in addition to those regulations set by the University for all students. It is the responsibility of the instructor to keep an accurate attendance record of all students enrolled. Students should understand that absences may jeopardize their grades.

ADA Statement

If you have a disability of any kind and will need academic adjustments or assistance in the classroom or with this course, please see the instructor immediately.

*******ATTENTION*******

TO RECEIVE THE PROPER CREDIT FOR A COURSE, THE STUDENT MUST BE OFFICIALLY REGISTERED FOR THE COURSE IN THE OFFICE OF RECORDS AND REGISTRATION AND THE STUDENT'S NAME MUST BE LISTED ON THE OFFICIAL CLASS ROSTER. A STUDENT WHO FAILS TO COMPLY WITH THE OFFICIAL RULES AND REGULATIONS WILL NOT BE ALLOWED TO PETITION FOR COURSE CREDIT.

MISSION STATEMENT

The mission of the College of Business Administration is teaching/coaching to accomplish a fourfold purpose: (1) to prepare students for managerial and leadership careers in the management of both business and government enterprises, (2) to cultivate the entrepreneurial and intrapreneurial spirit so that students will pursue and take advantage of innovative opportunities, both internal and external to the organization, (3) to promote responsible citizenship and leadership roles in a society oriented toward the advancement of knowledge and (4) to foster a foundation that will promote lifelong learning.

Specifically, the College of Business Administration provides:

- (1) The common professional components of business;
- (2) Service to the community both by course offerings that are relevant for entrepreneurship and intrapreneurship and through consulting and public service activities;
- (3) Avenues for cooperation with other units within the university community in the pursuit of mutual educational objectives; and
- (4) Flexible and integrated curriculum background for the students who choose to enter graduate school in lieu of business careers.