

**THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS**

**Course Syllabus and Outline
ACCT3103: Intermediate Financial Accounting II**

I. INFORMATION ON INSTRUCTOR AND TUTOR

Course Instructor:

	Subclass A	Subclasses B and C
Instructor:	Dr. Derek Chan	Dr. Lilian Chan
Office:	KK1203	KK1208
Email:	dkchan@hku.hk	lhlchan@hku.hk
Office Hours:	2:30 pm to 4:00 pm, Friday or by appointment	9:30am to 11:30am, Friday or by appointment

Teaching Assistant: Miss Amy Lee (KKL 609; Office Tel: 3917-4833; email: amyleesw@hku.hk)

II. COURSE INFORMATION

- (i) **Prerequisite:** ACCT2102 Intermediate Financial Accounting I
- (ii) **Course Descriptions:** This course is a continuation of Intermediate Financial Accounting I. Topics examined include debt financing, equity financing, income taxes, leases, dilutive securities and earnings per share calculations, and derivatives and hedging activities. While the primary emphasis will be on Hong Kong practice, we will also discuss the accounting principles and standards based on the Generally Accepted Accounting Principles (GAAP), International Financial Reporting Standards (IFRS) and Hong Kong Financial Reporting Standards (HKFRS). Since 1993, IFRS have been the basis for all new standards adopted in Hong Kong. In addition, IFRS are providing the framework for the development of accounting standards in China.
- (iii) **Required Textbook:** Spiceland, Nelson, Thomas, Tan, Low & Low, Intermediate Accounting: Global Edition 2, McGraw-Hill/Irwin, 2019. This textbook has a useful web-based learning system for students. The web address is <http://www.mheducation.asia/olc/spiceland>.
- Useful Links:** IFRS: <https://www.ifrs.org/issued-standards/list-of-standards/> and HKICPA: <https://www.hkicpa.org.hk/en/Standards-and-regulation/Standards/Members-Handbook-and-Due-Process/HandBook/Volume-II--Financial-Reporting-Standards/Index>
- (iv) **Lecture Notes:** Powerpoint notes are available on the Moodle. *You are responsible for downloading and printing them in advance for each class.*

Course Learning Outcomes (CLOs): On completion of this course, you should be able to:

- CLO1.** Understand the concepts and theories of financial accounting, and the issues and controversies surrounding, and the rationale of, the relevant accounting standards.
- CLO2.** Analyse controversial accounting issues and complex accounting transactions.
- CLO3.** Assess the effects of alternative accounting policies on financial statements.
- CLO4.** Apply relevant accounting information in making business decisions.
- CLO5.** Develop skills in analysing, synthesizing, and writing financial accounting cases as well as team working skill.

(v) Alignments of Faculty Learning Goals and CLOs

Faculty Learning Goals (FLGs)	CLOs
FLG1. Acquisition and internalization of knowledge of the programme discipline	CLO1, CLO2, CLO3
FLG2. Application and integration of knowledge	CLO2, CLO3, CLO4
FLG3. Inculcating professionalism	CLO3, CLO4
FLG4. Developing global outlook	CLO1, CLO2, CLO4
FLG5. Mastering communication skills	CLO3, CLO4, CLO5
FLG6. Cultivating leadership	CLO4, CLO5

(vi) Teaching and Learning Activities (TLAs)

Course Teaching and Learning Activities	Expected study hours	Study Load (% of study)
TLA1. Interactive lectures	36	30%
TLA2. Tutorials	11	9.17%
TLA3. Group Project and assignments	30	25%
TLA4. Self Study	43	35.83%
Total	120	100%

TLA1. Situation: Interactive Lectures

- Lecture on major concepts and issues: Interactive lectures with PowerPoint slides are conducted with the lecturer explaining and illustrating the concepts. Students will be invited to share their views in applying the concepts.
- In-class exercises: Basic concepts and techniques are illustrated using examples. Students work along with the lecturer to solve the problems. These exercises help students follow the lectures closely and actively.
- In-class discussion: Sometimes discussion questions will be raised by the lecturer. Students are encouraged to participate in discussions and share views with their peers. These discussions encourage students to think more for certain arguable topics.

Major focus: CLOs 1, 2, 3 and 4

TLA2. Situation: Tutorials

- The one-hour tutorial will review select weekly assignments and elicit your answers on them. In addition, a portion of the tutorial will be spent on review of key concepts and techniques presented in the previous week's lecture.

Major focus: CLOs 1 and 2

TLA3. Situation: Case Project and Assignments

- Students in each subclass are to form *twelve groups of five people* from the *same subclass*. Each group is required to (1) make a 20-minute presentation on a *short case problem assigned* and (2) submit a case synthesis for another *short case problem assigned*.
- Each team member is expected to make sincere contribution to the group. To avoid having free-riders in your group, a peer-evaluation may be conducted at the end, so that you will have a chance to evaluate each of your group members' performance and contribution to the group. Ratings of you and comments from your peers will be taken into account when determining your final grade in your group work. You should provide the most candid evaluation of each of your group members. The evaluation will be submitted to me directly and will be kept confidential.

Major focus: CLOs 1, 2, 3, 4 and 5

TLA4. Situation: Outside-Classroom Activities

- Group discussions: Group members meet to work on the case as a team and contribute jointly to preparing the case presentation.
- Lecturer and tutor consultations: We have scheduled consultation hours weekly to address students' questions and doubts related to the course (see page 1). A tutor is also available for consultations.

Major focus: CLOs 1, 2, 3, 4 and 5

(vii) Assessment Methods/Activities

Assessment Methods/Activities	Weights	Aligned CLOs
A1. Class Attendance and Participation	10%	1-5
A2. Assignments and Case Synthesis	10%	1-5
A3. Case Presentation	10%	1-5
A4. Exams		1-5
- Mid-Term Exam	30%	
-Comprehensive Final Exam	40%	
Total	100%	

A1. Class Attendance and Participation (10% for individual):

Attendance will be taken for both lectures and tutorials. The attendance and individual sharing in class will be considered in assigning points for attendance and individual participation. The tutor will lead and initiate the discussion of the homework assignments at the tutorial sessions.

Grading Criteria

	A+, A, A-	B+, B, B-	C+, C, C-	D+, D	F
	Extremely well prepared for class discussion, active in sharing views and attend at least 90% of classes.	Partially prepared for class discussion, quite active in sharing views and attend at least 80% of classes.	Not well prepared for class discussion, limited active in sharing views and attend at least 70% of classes.	Not well prepared for class discussion, no sharing of views and attend at least 60% of classes.	Never prepared for class discussion and no sharing of views and attend less than 50% of classes.

A2. Assignments and Case Synthesis (10%)

Students are required to submit *two* assignments. Assignments will be collected on an individual basis. The assignments will be graded based on the accuracy and clarity of the written report. Dates for the discussion of assignments are listed on the course outline. *Homework assignments are put on Moodle. You are responsible for downloading and printing them.* A regular assessment urges students to digest the knowledge on a timely basis.

Each presentation group is required to submit *one* case synthesis which is due on November 15, 2021. The case synthesis should have a page limit of 3 double-spacing pages with font size 12pt. Case problems will be assigned on a random draw basis.

The case synthesis should cover the following items:

- a. A short summary of the case background and case issues (in your own words!)
- b. Your solutions to the case
- c. How the case relates to the topic(s) discussed
- d. Lessons learned from the case

The case synthesis will be graded based on the following two criteria:

- | | | |
|-----|---|--------------------|
| i. | Content (Specificity/Creativeness/Use of Materials/
Linkage to a Bigger Picture) | 70% |
| ii. | Writing Style (Coherence/Clarity/Structure) | <u>30%</u> |
| | TOTAL | <u>100%</u> |

Grading Criteria

	A+, A, A-	B+, B, B-	C+, C, C-	D+, D	F
	Provide accurate solutions to most problems.	Provide accurate solutions to some problems.	Provide accurate solutions to a few problems.	Provide inaccurate solutions to a few problems.	Skip some problems or provide inaccurate solutions to most problems.

A3. Case Presentation (10%)

Each group is required to deliver a 20-minute presentation of the case assigned. Your grade for this part will depend on your ability to deliver a professional and persuasive presentation. The group presentation will be evaluated based on the following three criteria:

i. Identification of relevant issue and data	40%
ii. Explanation of analysis	40%
iii. Presentation style	20%
TOTAL	<u>100%</u>

Grading Criteria

	A+, A, A-	B+, B, B-	C+, C, C-	D+, D	F
	Very good to excellent ratings on all two criteria.	Good to very good ratings on all two criteria.	Fair to good ratings on all two criteria.	Fair ratings on all two criteria.	Fail to prepare and submit the written case synthesis.

A4. Exams (70%)

There will be a mid-term exam and a final comprehensive exam. The *mid-term exam will be held in the evening (exact date to be confirmed)*. It will cover *topics 1, 2, and 3*.

The *final exam* will be *two hours* in length and will be given on a date to be announced by the University later. It will be *comprehensive* of all course topics and materials.

Please ensure that you are available to sit for the exams at the scheduled date and time, as extra-curricular activities will not provide sufficient grounds for deferrals. It is not contemplated that you will miss an exam. *No provision has been made for a make-up exam*. Absences will be dealt with based upon the circumstances. It is the student's responsibility to contact the instructor regarding any missed exam. All exams are closed book. You must have your student photo-ID to take an exam. All calculators brought into the exam room may not have any information stored in memories and covers must be removed.

Grading Criteria

	A+, A, A-	B+, B, B-	C+, C, C-	D+, D	F
	Provide accurate solutions to most problems and give detailed and insightful responses to essay questions.	Provide accurate solutions to some problems and give detailed responses to some essay questions.	Provide accurate solutions to a few problems and give limited responses to some essay questions.	Provide inaccurate solutions to a few problems and give unclear responses to most essay questions.	Skip some problems or provide inaccurate solutions to most problems and give poor responses to most essay questions.

Teaching and Learning Activities, Assessment Methods and Alignment with Course Learning Outcomes

CLO	Teaching and Learning Activities (TLA)				Assessment Methods/Activities			
	1	2	3	4	1	2	3	4
1	✓	✓	✓		✓	✓	✓	✓
2	✓	✓	✓		✓	✓	✓	✓
3	✓	✓	✓		✓	✓	✓	✓
4	✓	✓	✓	✓	✓	✓	✓	✓
5	✓	✓	✓	✓	✓	✓	✓	✓

III. COURSE POLICIES

Class Conduct

Respect your instructor and your fellow students. Be considerate to others.

Students are required to attend all classes *on time* and should not enter the classroom 15 minutes after the class scheduled starting time. If you have to leave the class early, please inform the instructor before the class begins. Please sit near the door and exit quietly. If you fail to inform the instructor before you leave, no credit will be given for your class attendance.

Students are encouraged to ask questions and to participate in the class as well as in the tutorials. At the same time, maintaining discipline is of utmost importance in this course. Please observe the following class rules when the class is in session:

1. Do not talk to your fellow students.
2. Do not use your hand phone (please turn off your hand phone).
3. Do not eat or drink in class.
4. Do not leave the class without permission.

Academic Dishonesty

The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>

Academic dishonesty is behaviour in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following types of cases:

- Plagiarism – The representation of someone else’s ideas as if they are one’s own. Where the arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one’s own work. Paraphrasing of someone else’s ideas is still using someone else’s ideas, and must be acknowledged.
- Unauthorized Collaboration on Out-of-Class Projects – The representation of work as solely one’s own when in fact it is the result of a joint effort.
- Cheating on Exams – The covert gathering of information from other students, the use of unauthorized notes, unauthorized aids, etc.

If you are caught in an act of academic dishonesty or misconduct, you will receive an ‘F’ grade for the subject.

If your group assignment submitted has been discovered to be an exact copy of someone else’s work, your group will be subject to the penalty for the act of plagiarizing or copying.

Course Outline for Semester 1 of 2021-2022

<i>Week</i>	<i>Topic</i>	<i>Lecturing Topic and Discussion</i>	<i>Assignment for Tutorial Discussion</i>
Week 1	1	Class Administration Debt Financing	No Tutorial
Week 2	1	Debt Financing (Cont'd)	No Tutorial
Week 3	2	Equity Financing	Concept of Present Value
Week 4	2 3	Equity Financing (Cont'd) Leases	Assignment 1
Week 5		Leases (Cont'd)	No tutorial
Week 6	3	Leases (Cont'd)	Assignment 2
Reading Week (Oct 11 – Oct 17)			
Week 7	4	Income Taxes	Assignment 3
Week 8		Mid-Term Exam (75 Minutes) – TBC Topics 1, 2, and 3	Loss Carry-Forward
Week 9	5	EPS	Assignment 4
Week 10	6	Accounting for derivatives	Mid-Term Exam Review
Week 11		Case Presentation	Assignment 5
Week 12		Case Presentation	Assignment 6
Comprehensive Final Exam (2 Hours) Topics 1-6			