

**ADVANCED ACCOUNTING**  
**ACCOUNTING 4010/5310**

**Dr. Yin Yu-Thompson**  
**WINTER 2018**

<b>Course</b>	Advanced Accounting
<b>Course Number</b>	<b>ACC 401 531 001</b>
<b>Time and Location</b>	Tuesdays and Thursdays 10:00-11:15 PM EH 212
<b>Instructor</b>	Yin Yu-Thompson, Ph.D. 310 Elliott Hall (248) 370 3693 <a href="mailto:yuthompson@oakland.edu">yuthompson@oakland.edu</a>
<b>Office Hours</b>	Wednesdays 3:30-5:30pm; other time by appointment
<b>Prerequisites</b>	A grade of 2.0 or better in ACC 311 is the required prerequisite to this course. If you do not meet this prerequisite, you will be administratively dropped from this course.
<b>Required Materials</b>	1. Textbook: <u>Fundamentals of Advanced Accounting –7th edition</u> , by Hoyle, Schaefer and Douppnik (McGraw-Hill Irwin) with McGraw Hill Connect (ISBN 9781260236101)  2. A basic calculator
<b>Course Objectives</b>	The Advanced Accounting course is intended to be a detailed rigorous study of selected complex business events and situations, especially business combinations, and the application of accounting concepts and standards to those situations. Through the readings and problem assignments, the student should gain an understanding of current accounting standards and the basic theoretical concepts underlying those standards. Theoretical arguments supporting current accounting practice and alternative treatments are discussed. The professional pronouncements of authoritative organizations in accounting are referred to as appropriate.

**Prioritizing topics and subtopics**

Level 1: Enduring understanding of accounting methods for Stock Equity Investment, consolidation procedure and consolidated financial statement (income statement and retained earnings statement)

Level 2: Know and do consolidation procedure when Non-Controlling Interest presents; consolidated balance sheet; consolidation adjustment for intra-entity inventory and equipment transfer; consolidation adjustment

for intra-entity bond transfer

Level 3: Be familiar with partial equity method and initial value method for equity investment; accounting methods change as ownership from equity investment changes; consolidated EPS; subsequent date subsidiary stock issuance; Variable Interest Entity; consolidated Cash Flow Statement; partnership accounting

## Grading

Course units, topics, depth of coverage and percentage of grade assigned

Unit 1: Equity method, business combination and financial reporting for business combination (acquisition method)

Concept	Level of Learning	Learning Activities	Percentage of Total Grade Assigned
Equity method	Level 2: Know and do	Work-out problems	5%
Business combination	Level 2: Know and do	Work-out problems	5%
Financial reporting for business combination	Level 1: Enduring understanding	Project	5%

Unit 2: Consolidation procedure (combination date and subsequent date) and non-controlling interest (outside ownership)

Concept	Level of Learning	Learning Activities	Percentage of Total Grade Assigned
Consolidation procedure	Level 1: Enduring understanding	Comprehensive problems and project	25%
Consolidated IS and RE statement	Level 1: Enduring understanding	Comprehensive problems and project	15%
Other internal investment method	Level 3: Be familiar with	Multiple choice and/or short problems	5%
NCI	Level 2: Know and do	Work-out problems	10%

Unit 3: Consolidation procedure (intra-entity asset transaction and debt transfer), VIE and other issues

Concept	Level of Learning	Learning Activities	Percentage of Total Grade Assigned
Consolidation procedure for intra-entity asset transfer	Level 2: Know and do	Work-out problems	10%
Consolidation procedure for bond transfer	Level 2: Know and do	Comprehensive problems	10%
Consolidated EPS and VIE	Level 3: Be familiar with	Multiple choice and/or short problems	5%

Unit 4: Partnership accounting

Concept	Level of Learning	Learning Activities	Percentage of Total Grade Assigned
Formation, dissolution and income sharing	Level 3: Be familiar with	Multiple choice and/or short problems	5%

Course grade will be based solely on the following grading factors and weights:

Homework	10%
Examination 1	20%
Examination 2	20%
Quizzes	12%
Group Project	10%
Final Examination	<u>28%</u>
	<u>100%</u>

Final numeric grades will be calculated as follows:

<u>Course Average</u>	<u>Numeric Grade</u>	<u>Letter Equivalent</u>
100%-90%	4.0-3.6	A
89%-80%	3.5-3.0	B
79%-70%	2.9-2.0	C
69%-60%	1.9-1.0	D
59%-& less	0.0	

Within each range, numeric grades are proportionally allocated. For example, a 75% average is graded as 2.5.

Per university policy, a grade of "I" (incomplete) may only be assigned if the student is unable to complete the course during the current semester due to an appropriate reason, but will be able to complete within eight weeks after the end of this semester. All "I" grades convert to 0.0 after

eight weeks, and cannot be modified thereafter. Accordingly, a grade of "I" will be assigned only if the student had a legitimate reason for not completing during this semester, and **will be able to complete within eight weeks of the end** of this semester. Before a grade of "I" will be submitted, you must consult with your instructor and complete an "I" grade petition form. Copies of the petition form are available at the SBA undergraduate advising office.

### **Homework**

Preparation outside of class on a timely basis is essential for a good understanding of the subject matter in this course. Homework is intended to help you assess whether you understand the concepts you have studied and discussed in class. Assignments should be worked after you have studied and believe you understand the concepts. There will be an opportunity to address each assigned exercise and problem in class to some extent, but advance preparation will significantly enhance your success in the course. You are expected to make a serious attempt to prepare all assigned exercises and problems. It would also be helpful to do problems not assigned.

There is also graded homework through McGraw-Hill Connect. All students need to register for McGraw-Hill Connect. There is a graded homework assignment for each chapter. Due dates are posted on McGraw-Hill Connect. You are given two attempts for each homework assignment. **Late submissions will not be accepted.** The grade for the homework section will be posted to MOODLE at the end of the term. Homework will account for 10% of your final grade. Class section URL: [https://connect.mheducation.com/class/y-yu-thompson-acc-4010-5310\\_w-2018\\_th](https://connect.mheducation.com/class/y-yu-thompson-acc-4010-5310_w-2018_th).

### **Quizzes**

Four pop-up quizzes will be given spontaneously, all open-book and open-notes. You may drop the lowest score. Quizzes are not curved. **No make-up is allowed for any of the four quizzes.** Quizzes are designed to test the preparation outside class on a timely basis, which is necessary for a good understanding of the subject matter in this course.

### **Exams**

There are two mid-term examinations are scheduled as noted on the tentative class schedule sheet. Final examination is cumulative. Examination questions and problems will NOT be "just like" the class assignments. They will test your ability to apply the skills and knowledge developed through those class assignments. These skills consist of much more than procedural repetition of mechanical procedures. Examinations are going to test the critical analysis of situations and the ability to apply accounting principles to new situations.

"Make-Up" examinations are **NOT** given. If you miss any of them, the weights on the missed exam will be placed on final examination. If a student has a very good reason for missing the final examination (serious illness, death in family, etc.), please seek my approval of a make-up prior to final exam. Please note your request will be approved with only documented evidence of emergency or necessity.

Examination Notes - You will be permitted to bring one sheet of

**HANDWRITTEN** prepared notes to the mid-term and final examinations. The following conditions apply: Only standard size paper (8 1/2 x 11 inch) is permitted. You may write whatever you wish on both sides of the sheet, but it must be in your handwriting **ONLY**. No printed or photocopied material is permitted. **You are required to put your name on the notes sheet and submit it with the exam paper (although notes sheet will not be graded).**

Partial credit can be given only if the solution process is illustrated. Only calculators without any text memory are permitted. Portable computers and devices with extensive memory are not allowed. Especially, multi-function devices (i.e. - cell phones, PDAs, etc.) will **NOT** be allowed.

For all quizzes and exams, collaboration is not allowed. Violations of this as well as other policies will be considered academic dishonesty and pursued according to the Integrity Code. At the minimum, such behaviors will result in a grade of 0.0.

### **Group Project**

Each group (3-4 people) will be assigned an out-of-class group project. The project will be due on **April 10<sup>th</sup>** (All groups' due date are on the same date). Please refer "Group Project Description" for details. The project will account for 10% of your final grade. The solution submitted must be your group's own work. Group member performance will be distributed and is a peer review process. If your performance is unanimously reflected by you group member as unsatisfactory, I will assign you a lower grade than your peers.

### **Extra Credit**

If you submit the teaching evaluation then you can earn 1% on the top of your final course grade. When approaching the end of semester, you will receive an email from SBA to notify you that you may choose to fill out teaching evaluation for the class that you register. **There will be a confirmation page showing that you successfully submit the evaluation. Please don't close that page. Print it out and write your name on the top of that page. Hand it to me in person.** There is one extra-credit case that can allow you to earn extra 3% on the top your final class grade. The extra-credit project will be due on **April 10<sup>th</sup>**, please submit them through Moodle internal email.

### **Academic Integrity**

You are expected to adhere to the university academic conduct regulation. For issues not specified, refer to the Code on Academic Integrity. Details of the code are available online at: <https://oakland.edu/deanofstudents/conduct-regulations/>. Students who are suspected of academic integrity dishonesty will receive "0.0" in this course.

### **Fairness**

I view being fair across people as one of the most important parts of my job. So, I will not give extra credit or extra assignments to individuals, unless I can do the same for everyone.

**If you are absent for any reason, it is your responsibility to check Moodle or contact a classmate to obtain any notes, handouts, announcements, or assignment changes that have been made to the syllabus or announced in class. Tentative class schedule is attached.**

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Tentative Class Schedule\*

All problems assignments are from the problem set at the end of the chapter; answers is available after you submission on Connect.

Date	Day	Chapter/Readings	Additional Exercises
JAN-04	Thr	Introduction; Project Description; Chp 1-Equity Method	Chp 1 Prob -12, 16, 17, 25, 27, 28
JAN-09	Tue	Chp 1	
JAN-11	Thr	Chp 1	
JAN-16	Tue	Chp 2-Consolidations	Chp 2 Prob -8, 15, 16, 17, 18, 22, 23, 24, 26, 28
JAN-18	Thr	<b>Chp 2/Group Member Submitted</b>	
JAN-23	Tue	Chp 2	
JAN-25	Thr	Chp3- Consolidations Subsequent to Acquisition	Chp 3 Prob -16, 24, 29, 33, 37
JAN-30	Tue	Chp3	
FEB-01	Thr	Chp3	
FEB-06	Tue	Chp3	
FEB-08	Thr	Chp4	
FEB-13	Tue	No Class	
FEB-15	Thr	<b>Examination 1 (Chp 1, 2 and 3) In Class</b>	
FEB-27	Tue	Chp 4	Chp 4 - 27, 36, 39, 40, 42
MAR-01	Thr	Chp 4	
MAR-06	Tue	Chp 5-Intercompany Asset Transactions	Chp 5 -20, 25, 27, 30, 31, 34, 35
MAR-08	Thr	No Class	
MAR-13	Tue	Chp 5	
MAR-15	Thr	Chp 5	
MAR-20	Tue	Chp 5	
MAR-22	Thr	<b>Examination 2 (Chp 4, 5) In Class</b>	
MAR-27	Tue	Chp6 -VIE, Intercompany Debt, Misc.	Chp 6 -28, 29, 30, 33, 37, 38, 48
MAR-29	Thr	Chp 6	
APR-03	Tue	Chp 6	
APR-05	Thr	Chp 6	
APR-10	Tue	Chp 9- Partnerships: Formation and Operation	<b>Group Project Due /Extra Credit Due</b> Chp 9 -16, 17, 18, 22, 24, 26, 28, 29
APR-12	Thr	Chp 10 - Partnerships: Dissolution	
APR-17	Tue	Review	
APR-19	Thr	<b>Final Examination (Comprehensive) 8:00-11:00am</b>	