

Foundations in Financial Accounting (ACC5061)

Syllabus

Winter Term 2019/20

Begin:	October 1, 2019
End:	November 14, 2019
Times & Location:	Tuesday, 11.30 – 13.00 h in W4.1.06 Thursday, 9.45 – 11.15 h in W4.1.06
ECTS-Credits:	5 (together with GMT5214 Corporate Finance and Financial Analysis)
SWS:	2 (30 contact hours)
Self-Study:	60 hours
Level:	Advanced Level II
Prerequisites:	-
Accessibility:	Course is compulsory for 1 st semester MBA-IM students and is open to international guest students on MBA-level

Learning objectives:

By the end of the course, the participants shall be capable of...

- ...recognizing the content and nature of financial statement information,
- ...understanding the way in which financial statement information is produced and used conventionally,
- ...preparing balance sheets, income and cash flow statements and statements of retained earnings and
- ...critically analyzing and evaluating the use of financial statement information.

Main course topics:

- Introduction to Financial Accounting
- Core Elements of Financial Statements
- Concept and Framework of the IASB
- Recording Transactions
- Preparing Balance Sheet and Income Statement
 - Reporting and Analysing Inventories
 - Accounting for Sales and Receivables
 - Depreciation of Long-Lived Assets

- Reporting and Analysing Liabilities and Provisions
- Preparing Cash Flow Statement and the Statement of Retained Earnings
- Performance Measurement
- Accounting Policy

Course contributions to the MBA program goals / learning outcomes

Goal	Course Contributions to Goal	Assessment
1 Responsible leadership in organizational contexts	KPI-based analysis of consolidated financial statements	- Discussion in class - Written exam
2 Creative problem solving skills in a complex business environment	Critical analysis, preparation and evaluation of financial statements	- Discussion in class - Written exam
3 Research Skills		
4 Management of Innovation		
5 Management of the challenges of global sustainability and awareness for social and corporate responsibilities	Ethical conflicts resulting of maximizing shareholder value and "window dressing"	- Discussion in class - Written exam

Basic outline and organization:

The course gives an introduction into the world of accounting and financial reporting, by explaining how to distinguish and to understand the different financial statements, how to account for a number of transactions that are frequently occurring in companies and how to prepare financial statements. Basic outline of this lecture is to learn and understand the technique and the rules of preparing balance sheet and income statement.

In the course of the lecture, financial statements of several large companies will be analysed in order to give an understanding of the topic in real business life.

Grading:

GMT5214 Corporate Finance and Financial Analysis and ACC5061 Foundations in Financial Accounting are graded together (module grade).

The grading is based upon:

- 2 written assignments in ACC5031, each weighted with 15 % of the total grade.
- 1 written exam in GMT 5213 of 90 minutes, weighted with 70 % of the total grade. The exam will cover the complete course GMT5214 and the chapters 6 and 7 of ACC5061.

Assignments:

- The assignments are distributed via moodle as data file and contain several exercises covering the topics taught up to this date.
- The distribution will be on Thursday, the assignment is due on the following Thursday 9.45 am (beginning of class) and has to be handed to the lecturer.
- All exercises of the assignment have to be completed. There are no optional parts.
- The assignment has to be prepared individually by each student.
- The solution has to be handwritten and on paper (either on a printout of the document with the exercises or on clearly named and labelled additional sheets).

Course materials:

- Horngren, Charles T./Sundem, Gary L./Elliot, John A./Philbrick, Donna R. (2015): Introduction to Financial Accounting, 11th Edition, ISBN 978-0-133-25111-1
- Weygandt, Jerry J./Kimmel, Paul D./Kieso, Donald E. (2015): Financial Accounting, IFRS Edition, 3rd Edition, ISBN 978-1-118-97808-5

Availability of the lecturer:

Prof. Dr. Robert Nothhelfer

Office hours: Tuesday, 9:45 – 11:15 h in W2.4.15

Email: robert.nothhelfer@hs-pforzheim.de

Preliminary schedule for ACC5031 – Foundations in Financial Accounting

October 1	Introduction to Financial Accounting, Core Elements of Financial Statements
October 08/10	Concept and Framework of the IASB Recording Transactions I: Steps in the Recording Process, Debit/Credit Rules Case Study 1
October 15/17	Recording Transactions II: Journal, Accounts, Ledger, (Trial) Balance and T-Accounting Case Study 2
October 22/24	Accounting for Purchases and Sales,
	Assignment 1: Due on October 31 (distribution on October 24)
October 29/31	Inventories and Cost of Goods Sold Depreciation of Non-Current Assets
November 5/7	Measurement of Receivables, Accruals & Deferrals, Provisions Case Study 3
November 12/14	Income Statement, Cash Flow Statement Accounting Policy
	Assignment 2: Due on November 21 (distribution on November 14)