**Kuwait University**

**College of Business Administration**

**Department of Accounting**

**Course Syllabus**

***Acct 111 – Introduction to Financial Accounting I***

**Dr. Khaled Abdulsalam**

*Spring 2022/2023*

# **Lecture time and location**

**Acct 111/ 53**: 135, 11:00 pm, D1 1016

**Acct 111/ 03**: 135, 12:00 pm, D1 1016

# **Contact Information**

**Location**: Department of Accounting – 4th Floor

**Email**: Khaled.abdulsalam@ku.edu.kw

**Office hours**: Tuesday at 3:00 pm, S-04 1039, or by appointment.

# **Course Description**

The first of two courses that introduce the basic concepts, systems, terminology of financial accounting, and procedures for preparing financial statements, including problems of identification, measurement, and disclosure of main elements of financial statements. Interpretation, analysis, and use of information communicated through financial reports are emphasize.

# **Course Learning Objectives (CLOs)**

Upon successful completion of the course, students will be able to:

**CLO1.** Use basic accounting terminology and the assumptions, principles, and constraints of the accounting environment.

**CLO2.** Identify the difference between accrual and cash basis accounting.

**CLO3.** Analyze and record business events in accordance with International Financial Reporting Standards (IFRS)

**CLO4.** Prepare adjusting entries and close the general ledger

**CLO5.** Introduction to the categories of the basic accounting equation (assets, liabilities, equity) and the accounts associated with these categories like account receivables, inventory, account payables, retained earnings and ordinary shares.

**CLO6.** Prepare financial statements in an appropriate IFRS format, including the following: income statement, balance sheet, statement of cash flows, and statement of shareholders’ equity.

**CLO Mapping to CBA Skill Based Competency Goals\***

|  |  |  |
| --- | --- | --- |
| CLO | Competency Goal |  |
| Analytical | Communication | Information Technology | Business Ethics | General Business Knowledge |
| 1 | R | I |  | I |  |
| 2 |  | I |  | I |  |
| 3 |  | I |  | I |  |
| 4 |  | I |  | I |  |
| 5 |  | I |  | I |  |
| 6 |  | I |  | I |  |

**Type of Emphases:**

* **(I) Introduce:** Students will be introduced to the skill and their grasp of it assessed in the course.
* **(A) Apply:** The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
* **(R) Reinforce:** Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

# **Class Materials**

**Required Text:** **“*Financial Accounting****” IFRS by Weygandt, Kimmel, and Kieso,* ***4th Edition****,
 by Wiley*

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***Or***

**Required Text: “*Financial Accounting****” IFRS by Weygandt, Kimmel, and Kieso,* ***3RD Edition****,
 by Wiley*

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# **Homework**

Homework will be posted on the **Wiley Plus** website.

Wiley Plus is a web-based assignment and assessment solution required for this course. Wiley Plus is designed to assist you with your coursework based on your needs. As outlined in this syllabus, assignments will make up a significant portion of your overall course grade.

You need to register using the Access Code provided with your Textbook. Wiley Plus access codes are packaged with a new textbook in the bookstore, at no additional cost.

To register in Wiley Plus, please visit

[**https://www.wileyplus.com**](https://www.wileyplus.com)

# **Course Requirement Policies**

***You are responsible for knowing these policies***

***“I didn’t know” is not an excuse***

* + **Classroom Conduct**

Using your phone (or any electronic device) and talking in class is distracting and disrespectful to your fellow colleagues and professor.

* + - Inappropriate and disruptive classroom behavior might lead to your dismissal from class.
	+ **Attendance**

Please arrive on time, attendance will be taken within the first ***five minutes.***

Every Student in this course must abide by the Kuwait University policy of attendance (published in the Student Guide, chapter 3, section 13). A copy of the student guide can be accessed on: <http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf>

* + **Participation**

It is very important that students are prepared for each class period. The quality of our classroom discussions in large part depends on you and your preparation for class.

* + **Cheating and Plagiarism**

Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (Published in the student guide, chapter 3, section 2). A copy of the study guide can be accessed online on:

<http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf>

* + **Make-up Exams: :** Make-up Exams will be given for missed exams with a University approved excused absence only.
	+ **Communication:** Class announcements will be posted on ***Teams.***
	+ **Disability:** Any student who has a need for special accommodation should contact me privately to discuss the specific situation NO later than the first week. You should contact the Dean of Students Affairs Office for proper documentation to maintain an individualized service plan of accommodation

# **Student Evaluation**

The grades for this class are distributed as follows:

|  |  |
| --- | --- |
| Grade | Activity |
| 20 | Assignments, Participation and Quizzes  |
| 20 | First Midterm – **Wednesday, March 22nd ,2023 @ 12:30 – 2:00 pm** |
| 20 | Second Midterm – **Monday, April 17th , 2023 @ 12:30 – 2:00 pm** |
| 40 | Final Exam – **Monday, May 8th ,2023 @ 8:00 – 10:00 am** |
| **100** | **Total** |

***NOTE****: The weight of the scores may change.*

# **Grade distribution**

|  |  |
| --- | --- |
| Range | Grade |
| >= 95 | **A** |
| 90-94 | **A-** |
| 87-89 | **B+** |
| 83-86 | **B** |
| 80-82 | **B-** |
| 77-79 | **C+** |
| 73-76 | **C** |
| 70-72 | **C-** |
| 65-69 | **D+** |
| 60-64 | **D** |
| <= 59 | **F** |

**Tentative Class Outline\***

|  |  |  |
| --- | --- | --- |
| **Week** | **Chapter** | **Topics Pages** |
| 1-2 | 1 | **Accounting In Action** What is Accounting……………………………………………………………………. 3-4Who Uses Accounting Data…………………………………………………………… 4The Building Blocks of Accounting…………………………………………………… 6-10The Basic Accounting Equation……………………………………………………… 10-14Using The Accounting Equation……………………………………………………… 14-21Financial Statements…………………………………………………………………. 20-25 |
| 3-4 | 2 | **The recording process**The Account…………………………………………………………………………… 2Debit & Credit………………………………………………………………………… 3-7Steps in the Recording Process……………………………………………………… 7-20The Trial Balance……………………………………………………………………. 21-22Limitation of Trial Balance…………………………………………………………. 22 |
| 5-7 | 3 | **Adjusting the Accounts** Timing Issues…………………………………………………………………………… 2Accrual Vs. Cash Basis Accounting…………………………………………………… 3Recognizing Revenues & Expenses…………………………………………………… 3-4The Basic of Adjusting Entries………………………………………………………… 5-20The Adjusted Trial Balance and Financial Statements……………………………… 21-24Appendix 3B…………………………………………………………………………… 28-30 |
| 8 | 4 | **Completing the Accounting Cycle**Closing The Books……………………………………………………………………. 11-15Preparing a Post-Closing Trial Balance……………………………………………… 16-19The Classified Statement of Financial Position…………………………………….... 23-28 |
| 9-10 | 5 | **Accounting for Merchandising operations 218**Merchandising Operations………….………………………………………………… 3-4Perpetual Inventory Systems………….………………………………………………. 4-6Periodic Inventory System………….…………………………………………………. 4-6Recording Purchases of Merchandise………………………………………………… 6-10Recording Sales of Merchandise……………………………………………………… 11-14Completing The Accounting Cycle in Merchandising Organization………………… 14-17Forms of Financial Statements……………………………………………………….. 17-22Determining Cost of Goods Sold Under Periodic System…………………………….. 25-29 |
| 11 | 6 | **Inventories** Classifying Inventory…………………………………………………………………... 2-3Determining Inventory Quantities…………………………………………………….. 4-6Inventory Costing……………………………………………………………………… 6-7Cost Flow Assumptions Under Periodic Inventory System…………………………... 7-10Lower-of-Cost-or-Net Realizable Value………………………………………………. 15-16Inventory Cost Flow Methods in Perpetual Inventory System (Appendix 6A)……… 18-19 |
| 12 | 7 | **Fraud Internal Control, and Cash**Fraud and Internal Control…………………………………………………………… 3-4Principles of internal control………………………………………………………….. 4-10Control Features Use of Bank………………………………………………………… 18-21Reconciling The Bank Account……………………………………………………….. 21-25 |
| 13 | 8 | **Accounting for Receivables** Types of Receivables…………………………………………………………………… 3Recognizing Accounts Receivables…………………………………………………….. 3-4Valuing Accounts Receivables…………………………………………………………. 5-11* Direct Write-Off Method For Uncollectible Accounts
* Allowance For Uncollectible Accounts

Disposing of Accounts Receivable…………………………………………..………… 11-13Notes Receivables……………………………………………………………………… 13-15Recognizing and Valuing Receivables…………………………………………………. 15-16Disposing of Notes Receivable………………………………………………………… 16-18 |

\* This tentative schedule is subject to changes.

**CBA Competency Goals**

1. **Analytical Competency**: A CBA graduate will be able to use analytical skills to solve business problems and make a well-supported business decision.

***Students Learning Objectives****:*

* Use appropriate analytical techniques to solve a given business problem.
* Critically evaluate multiple solutions to a business problem.
* Make well-supported business decisions.
1. **Communication Competency**: A CBA graduate will be able to communicate effectively in a wide variety of business settings.

***Students Learning Objectives****:*

* Deliver clear, concise, and audience-centered presentations.
* Write clear, concise, and audience-centered business documents.
1. **Information Technology Competency**: A CBA graduate will be able to utilize Information Technology for the completion of business tasks.

***Students Learning Objectives****:*

* Use data-processing tools to analyze or solve business problems.
1. **Ethical Competency**: A CBA graduate will be able to recognize ethical issues present in business environment, analyze the tradeoffs between different ethical perspectives, and make a well-supported ethical decision.

***Students Learning Objectives****:*

* Identify the ethical dimensions of a business decisions.
* Recognize and analyze the tradeoffs created by application of competing ethical perspectives.
* Formulate and defend a well-supported recommendation for the resolution of an ethical issue.
1. **General Business Knowledge**: A CBA graduate will be able to demonstrate a basic understanding of the main business disciplines’ concepts and theories.

***Students Learning Objectives****:*

* Acquire a fundamental understanding of knowledge from the main business disciplines (e.g., finance, accounting, marketing, and management information systems, among others).