



Kuwait University
College of Business Administration
Department of Accounting



Course Syllabus
Acct 201 – Intermediate Financial Accounting I

Dr. Mohammad Alkhamees

Spring 2023/2024

Lecture time and location

Acct 201/ 02A: 135, 3:00 pm, C3 1001

Contact Information

Location: Department of Accounting – 4th Floor

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Office hours: Tuesdays 11:00 am – 12:00 pm, or by email appointment. (S-04 1043)

Course Description

Accounting 201 is the first post-introductory financial accounting course dealing with the first part of intermediate accounting topics. This course is designed to provide students with an intensive coverage of the development of financial accounting theory and practice. The primary emphasis will be on the accounting cycle, financial statements disclosure, and the discussion of how accounting is intrinsically linked to operating activities (revenue, receivables, cash, cost of goods sold and inventory).

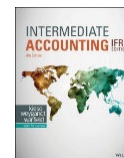
Course Objectives

- Understand the objective of financial reporting and explain the need for high-quality standards to implement that objective.
- Identify the major policy-setting bodies and their role in the standard-setting process and explain the meaning of IFRS.
- Describe the usefulness of conceptual framework for financial reporting and the efforts to construct the conceptual framework.

- Understand basic accounting terminology and describe steps in the accounting information system.
- Explain the usefulness and limitations of income statement, the content and format of the income statement and describe how to prepare an income statement and retained earnings statement and accounting issues related to accounting changes.
- Understand the usefulness and limitations of statement of financial position and statement of cash flows. Identify the major classifications of the statement of financial and explain how to prepare a classified statement of financial position and statement of cash flows, and related disclosures.
- Identify accounting topics and accounting applications when the time value of money is relevant.
- Identify items considered cash and cash equivalents, and indicate how to report cash and related items.
- Define receivables and explain accounting issues related to recognition, derecognition and valuation of receivable.
- Understand major classifications of inventory and identify the differences between perpetual and periodic inventory systems related to recognition and valuation of inventory at cost. Describe and compare the methods used to price inventories.
- Understand and apply the “Lower-of-cost-or-Net Realizable Value when companies value inventories at net realizable value.
- Describe the methods of estimating inventory either “Gross Profit Percentage” or Retail Inventory” method.

Class Materials

Required Text: *Kieso, Weygandt and Warfield, Intermediate Accounting: IFRS Edition, 4th Edition; John Wiley & Sons, Inc.*



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 five minutes. You can be late up to 15 minutes and then you will be considered upsent. If you are late to class, you get 0.75 of attendance grade which mean every 4 lateness incidents are equal to one class absence. All of you will be allowed to miss 3 classes without getting penalized for it. The system is designed in a very flexible way to allow you to make your own decisions about attending class without consulting with me. Having said that, I don’t accept excuses for missing classes unless it’s approved by KU bylaws.

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.

In the event of missing an exam, you must inform me via email about it before the exam and you must submit your written excuse via email withing 48 hours after the exam. Failure to do so will result in you getting zero for the missed exam.

Quizzes

We will have 3 to 4 quizzes during the semester and the quiz with the lowest score will be automatically dropped. There will be NO make-up quizzes. If you miss a quiz for any reason, I will drop the quiz you missed from your quiz grade. You will only be allowed to drop one quiz.

▪ **Communication**

Class announcements will be posted on Teams and/or Moodle. All students are expected to use the official email platform to contact the instructor (*Teams Chat is not permitted as a communication venue*).

▪ **Office Hours**

Office hours are on Tuesdays from 11:00 a.m. to 12:00 p.m. If you have a time conflict, please contact me via email to schedule an appointment for another time. You may contact me any time via email. In

general, this syllabus is your first source of information on questions pertaining to the class. I will not answer a question the answer for which is in the syllabus. **When sending me an email, always include the class number and your first and last name in the email title.** For example, “**Hamad Ahmad ACC 111 at 10:00**”.

▪ **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
8	Assignments and Participation
12	Quizzes
40	2 Midterm Exams
40	Final Exam
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	Ch.	Topics	Pages
1	1	<u>Financial Reporting and Accounting Standards</u> Global Market Objective of Financial Reporting Standard-Setting Organizations - International Organization of Securities Commission (IOSCO) - International Accounting Standards Board (IASB)	4-6 7-8 8 9 10-18
1	2	<u>Conceptual Framework for Financial Reporting</u> Conceptual Framework First Level: Basic Objective Second Level: Fundamental Concepts Qualitative Characteristics of Accounting Information Basic elements Third Level: Recognition, Measurement, and Disclosure Concepts Summary of the Structure	26-28 30 31-37 38-47 48
2-3	3	<u>The Accounting Information System</u> Accounting Information System The Accounting Cycle Financial Statements for a Merchandising Company Cash-Basis Accounting Vs. Accrual-Basis Accounting	64-85 71-95 96-99 101-104
4-5	4	<u>Income Statement and Related Information</u> Income Statement (Usefulness, Limitations, Quality of Earnings) Format of the Income Statement Reporting Within the Income Statement Other Reporting Issues - Accounting Changes and Errors - Retained Earnings Statement - Comprehensive Income - Statement of Changes in Equity	136-137 138-142 143-152 153-154 155 156-157 158-159
6-7	5	<u>Statement of Financial Position and Statement of Cash Flows</u> <u>Section 1: Statement of Financial Position</u> - Usefulness of Statement of Financial Position - Limitations of Statement of Financial Position - Classifications in the Statement of Financial Position <u>Section 2: Statement of Cash Flows</u> - Purpose of the Statement of Cash Flows - Content and Format of the Statement of Cash Flows - Usefulness of the Statement of Cash Flows <u>Section 3: Additional Information</u> - Notes to the Financial Statements - Techniques of Disclosure - Using Ratios to Analyze Performance.....	182 182 182 183-195 196 197-201 201-204 204-207 207-209 213-214

8-9	6	<u>Accounting and the Time Value of Money</u> Basic Time Value Concepts Single-Sum Problems Annuities Deferred Annuities	239-245 246-251 251-262 262-267
10-11	7	<u>Cash and Receivables</u> Cash - (What is Cash?, Reporting Cash, Summary of Cash-Related Items) Account Receivable - (Recognition, and Valuation) Notes Receivable - (Recognition, and Valuation) Special Issues Related to Receivables - De-recognition of Receivables - Presentation and Analysis	296-298 299-308 308-312 315-319 320-322
12-13	8	<u>Valuation of Inventories: A Cost-Basis Approach</u> Inventory Issues - Classification - Inventory Cost Flow - Basic Issues in Inventory Valuation Physical Goods Included in Inventory - Goods in Transit - Consigned Goods - Special Sales Agreements Costs Included in Inventory - Product Costs - Period Costs - Treatment of Purchase discounts Which Cost Flow Assumptions to Adopt? - Specific identification - Average Cost - First-In, First-Out (FIFO) - Summary and Analysis	358-362 362-366 367-369 369-375
13	9	<u>Inventories: Additional Valuation Issues</u> Lower-of-Cost-or-Net Realizable Value (LCNRV) The Gross Profit Method of Estimating Inventory	400-404 409-412

* 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.

2. **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.

3. **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.

4. **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.

5. **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).