# The Hong Kong University of Science & Technology

# ACCT1010: Accounting, Business and Society

## 1. Class Time and Venue

L2, Summer 2021

Mon & Wed & Fri 2:00–4:50 pm

Rm 1033, LSK Bldg

## 2. Instructor Information

Name: Ruichao (Richard) ZHU

Contact: rzhuah@connect.ust.hk

Office: LSK 5017

Office Hours: By appointment

## 3. Course Objectives

This course introduces students to professional accounting and its roles in business and society. Accounting information is used by stakeholders in decision making, as well as ensuring ethical and socially responsible behavior from managers concerned. By virtue of its extensive usage, accounting is the knowledge, and also the skills, that every person should know at different extent in order to understand and evaluate how businesses are operated as responsible corporate citizens.

This course is designed as a common core course for students without any accounting background. It has a one-way exclusion to ACCT2010 and ACCT2020. While covering similar topics and aspects of accounting, this course is different from the 2000 level courses by focusing not on the mechanics, but more on the purposes, features, and values of different accounting practices to businesses and the society. The increasing use of principles-based accounting standards and the ethical issues thereof will be highlighted for students' attention. There will also be extensive cross-referencing with real-life incidents in this course, from which students will get to know how accounting relates to things happening in businesses and the society around them. For course assessment, students will be required to demonstrate abilities to understand, explain and evaluate how contemporary accounting practices may fulfill its expected roles in business and society.

Upon completion of this course, students will be able to:

1. Outline the broad framework of ethics, corporate governance, and corporate social responsibility, while demonstrating the knowledge and respect of ethics and ethical standards in accounting in particular
2. Explain the roles of accounting in business and social contexts, and their bearings on corporate social and environmental accounting
3. Identify the different users of accounting information and their information needs; and generalize how such needs can be catered for in financial statements
4. Point out and describe broad aspects of appropriate accounting treatments for different transactions, and how such may address stakeholders' information needs
5. Read, interpret, and analyze financial statements, including the balance sheet, the income statement, and the cash flow statements

## 4. Reading

Required Textbook (HSEP):

Horngren, Charles T., Sundem, Gary L., Elliot, John A., and Philbrick, D., "Introduction to Financial Accounting", 11th edition, Pearson New International Edition, 2014.

Other References:

Duska, R., Duska, Brenda S., and Ratgatz, Julie A., "Accounting Ethics". 2nd edition, Wiley, 2011. (DDR) – Electronic copy is available from the Library

Wikipedia (Wiki) on:

"Business Ethics", "Corporate Governance", "Corporate Social Responsibility", "The Enron case"

## 5. Assessments

| **Items** | **Percent** |
|---|---|
| Class Participation | 10% |
| After-class Practice Problems | 10% |
| In-class Quizzes (best two out of three) | 40% (20% each) |
| Final Exam | 40% |
| Total | 100% |

1. Class participation includes attending the class, raising and answering questions in class and after class on Canvas.

2. After-class practice problems are listed at the end of slides. Submit them online via Canvas at the due date. Grades are given based on submission and effort. Submit at least 5 problem sets to qualify for a full score.
3. Each in-class quiz lasts for 40 minutes.
4. Quizzes and final exam are all open-book.
5. No make-up exams for in-class quizzes and final exam. You should take precautionary actions to avoid missing the quizzes.

## 6. Academic Integrity

The University places a strong emphasis on academic integrity and has introduced regulations to back this up. To help students to understand the policy, a website has been established that explains the regulations and provides assistance for students in avoiding plagiarism. Please visit the website at http://ugadmin.ust.hk/integrity/index.html.

## 7. Schedule

| Lecture | Date | Topic |
|---|---|---|
| 1 | 25 June | T01. Accounting |
| 2 | 28 June | T02. Ethics\ Corporate Governance \ CSR Framework |
| 3 | 30 June | T03. Foundation Concepts of Accounting |
| 4 | 2 July | T04. Measuring Income to Assess Performance (Quiz 1) |
| 5 | 5 July | T05. Accrual Accounting and Financial Statements |
| 6 | 7 July | T06. Statement of Cash Flow |
| 7 | 9 July | T07. Accounting for Sales (Quiz 2) |
| 8 | 12 July | T08. Inventories and Cost of Goods Sold |
| 9 | 14 July | T09. Long-lived Assets and Depression |
| 10 | 16 July | T10. Liabilities and Interest |
| 11 | 19 July | T11. Stockholder’s Equity (Quiz 3) |
| 12 | 21 July | T12. Financial Statement Analysis and Final Exam Review |
| | 23 July | Final Exam |