

The Hong Kong University of Science & Technology
Department of Accounting

ACCT2010 – Principles of Accounting I

Instructor: Dr. Chao Tang
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L13: Rm 1011, LSK Bldg Mo 03:00PM - 04:20PM, Fr 10:30AM - 11:50AM
L14: Rm 1011, LSK Bldg Mo 04:30PM - 05:50PM, Fr 12:00PM - 01:20PM

Office Hours: By appointment

TA: Vincent LEUNG
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I. Course Description

This course introduces basic knowledge about financial accounting and the financial reporting process. It focuses on fundamental accounting concepts and principles. You will learn how firms' economic transactions are recorded and affect the financial statements and related disclosures. No prior knowledge of accounting is required for this course.

II. Intended Learning Outcomes (ILOs)

By the end of this course, students should be able to

1. Understanding Basic Accounting Concepts.
2. Transaction Analysis: Apply conceptual knowledge to business transactions and translate them into financial statements.
3. Financial Statements Preparation: Learn to prepare and understand the four major financial statements: Balance Sheet, Income Statement, Statement of Cash Flows, and Statement of Stockholder's Equity.
4. Financial Statement Analysis: Develop skills to read, analyze, and interpret financial statements and key financial ratios.
5. Understanding Ethical Principles: Recognize the importance of ethics in accounting and the impact of ethical (unethical) behaviors on financial reporting and business practices.

III. Textbook and Supplementary Readings

1. Libby, Libby, and Hodge. *Financial Accounting*, 11th edition (2022), McGraw-Hill/Irwin.
2. Connect Access Code (**Required**): all homework assignments will be assigned and graded on Connect. Please use the following link for registration: <https://connect.mheducation.com/class/c-tang-113-114-fall-2024>
3. Lecture notes: you can download lecture notes on CANVAS.

IV. Assessment and Grading

This course will be assessed using criterion-referencing and grades will not be assigned using a curve. Detailed rubrics for each assignment are provided below, outlining the criteria used for evaluation.

Assessment Task	Contribution to Overall Course grade (%)	Due date
Homework	20%	On Canvas
Midterm exam	30%	Oct 21
Final exam	50%	TBD
Participation (extra credit)	3%	Week 1 to 13

NOTES:

1. Homework Assignments:
 - a. Completing homework is vital to reinforcing your understanding of the course concepts. There will be five problem sets **on Connect**, each worth four points.
 - b. The deadline for submission is typically **two weeks** after the release day. Late submissions will **NOT** be accepted unless there is a health issue or other emergency.
 - c. Your assignment will be automatically graded based on accuracy after submission. If you are not satisfied with your performance, you may revise and resubmit. Please note that you have **unlimited** attempts, and your grade will be based on the highest score of all your attempts.
 - d. While you are allowed to work in a group, each member must submit their work separately.

2. Midterm Exam:
 - a. As per ARO guidelines, it is mandatory for all students to attend quizzes, midterms, and final exams (or equivalent) in person.
 - b. The date and coverage of the midterm exam can be found on page 4 of the syllabus. The venue for the exam will be announced at a later time.
 - c. It is essential to take necessary precautions to avoid missing the midterm exam. No make-up quizzes will be given under any circumstances.
 - d. In case of a health issue or other emergency, you must submit relevant proof, such as a doctor's certificate, as soon as possible. In this case, the weight of your quiz will be shifted to the final exam. Otherwise, you will receive a score of zero.

3. Final Exam:
 - a. The details for the final exam are yet to be determined.
 - b. The final exam will be **cumulative**, meaning it will cover all the topics you have learned throughout the course.
 - c. Please note that the difficulty level of this course increases significantly in the later chapters. Therefore, the final exam is likely more difficult than the homework assignments or the midterm exam.

4. Participation:
 - a. Having an interactive classroom is essential to enhancing the effectiveness of learning. To foster a more engaging learning environment, I will offer extra credit (up to 3%) to students who actively participate in the lecture by:
 - Asking thoughtful questions
 - Volunteering to answer questions from myself or other students
 - Leading a lively group discussion.
The extra credit will be graded at the end of the semester.

5. To do well in this course, you are expected to spend at least 10 hours a week on this course.

6. Mapping of Course ILOs to Assessment Tasks

Assessment Task	Mapped ILOs	Explanation
Homework	ILO2, ILO3	Homework evaluates students' understanding in analyzing transactions (ILO2) and preparing financial statements (ILO3).
Midterm exam	ILO1, ILO2, ILO3, ILO4	The midterm exam is designed to assess students' foundational understanding of accounting concepts (ILO 1) transaction analysis (ILO2), financial statement preparation (ILO3), and financial statement analysis (ILO4).
Final exam	ILO1, ILO2, ILO3, ILO4, ILO5	The final exam is to assess students' overall understanding of the course (ILO 1 to ILO 5).
Participation (extra credit)	ILO1, ILO4, ILO5	This task evaluates students' capacity to use classroom knowledge in real-world situations and resolve ethical challenges.

7. Final Grade Descriptors:

Grades	Short Description	Elaboration on subject grading description
A	Excellent Performance	Demonstrates a comprehensive grasp of financial accounting principles, expertise in analyzing financial statements, and significant creativity in solving accounting problems. Exhibits a high capacity for scholarship and collaboration, going beyond core requirements to achieve learning goals.
B	Good Performance	Shows good knowledge and understanding of financial accounting concepts, competence in preparing and interpreting financial statements, and the ability to analyze and evaluate accounting issues. Displays high motivation to learn and the ability to work effectively with others.
C	Satisfactory Performance	Possesses adequate knowledge of core financial accounting principles, competence in dealing with familiar accounting problems, and some capacity for analysis and critical thinking. Shows persistence and effort to achieve broadly defined learning goals.
D	Marginal Pass	Has threshold knowledge of core financial accounting concepts, including the basics of financial statement preparation and analysis. Demonstrates the potential to develop key professional skills such as applying accounting standards and principles. Shows the ability to make basic judgments regarding financial data. Benefits from the course and has the potential to grow and develop further in the accounting field.
F	Fail	Demonstrates insufficient understanding of financial accounting principles. Lacks the necessary skills to solve accounting problems and apply accounting standards. Shows limited ability to think critically or analytically about financial data and exhibits minimal effort toward achieving learning goals. Does not meet the threshold requirements for professional practice or development in the accounting field.

V. Conduct of This Course

1. Class mode:
 - a. The class will be conducted in a traditional face-to-face format. There will be no Zoom sessions.
 - b. In case you miss a class, you may send me an email to request the recorded video.
2. Classroom etiquette:
 - a. Kindly refrain from chatting with others while the instructor is speaking.
 - b. During the lecture, it is not permitted to play games, watch videos, or engage in any activities unrelated to the course.
 - c. If you arrive late, please enter the room quietly.
3. Office hours:
 - a. To schedule an appointment, kindly send me an email.
 - b. To optimize the use of time during office hours, please prepare your questions in advance.
 - c. Our TA, Vincent, holds regular office hours each Friday from 2-3 pm. Please send him an email in advance to schedule an appointment.
4. Email communication:
 - a. Please note that I will only respond to emails related to course logistics, such as missing a class or midterm exam.
 - b. If you have questions regarding lecture notes, homework assignments, or other course content, you may
 - Ask me after the class or during the office hour.
 - Ask Vincent during office hours or email him the question.However, I will not answer these questions via email.

VI. Academic Integrity

Below is the official description of academic integrity by HKUST. **Any academic misconduct will be reported to the undergraduate administration office, and you are responsible for your own behavior.** Please read it carefully and be sure that you understand it. If you have questions, ask your advisor.

Students are required to maintain the highest standards of academic integrity. Breaches of these standards of academic integrity include, but are not limited to:

Cheating: conduct designed to mislead those responsible for making a judgment on a student's academic performance or standing, including:

- *Unauthorized conveyance or receipt of examination or test questions*
- *The giving, receiving or utilizing of unauthorized information or assistance in completing an assignment, test or examination*
- *Breaches of the regulations for examinations set out in the [Regulations for Student Conduct and Academic Integrity](#)*
- *Impersonating another student or allowing oneself to be impersonated by another student in participating in a test or examination*
- *Submission of academic work containing purported statements of fact or references to sources that have been fabricated*
- *Presenting for credit work that has already been accepted for credit in another course*

Plagiarism: the presentation of work which originates from other sources, including the work of other students, as the student's own work, without appropriate attribution to the source.

Tentative Schedule (Subject to Change)

Dates	Chapter	Topic
Sep 2, 6	1	Course Introduction and Chapter 1
Sep 9, 13	2	Investing and financing decisions and the accounting system
Sep 16, 20	3	Operating decisions and the accounting system
Sep 23, 27	4	Adjustments, financial statements, and the quality of earnings
Sep 30, Oct 4	6	Sales revenue, receivables, the bad debt
Oct 7	7	Cost of goods sold and inventory
Oct 11		No classes due to public holiday
Oct 14	7	Cost of goods sold and inventory
Oct 18	8	Property, plant, and equipment
Oct 21		Midterm exam (Chapters 1-7); time: 7:30 – 9:30 pm. No classes.
Oct 25	8	Property, plant, and equipment
Oct 28	9	Reporting liabilities
Nov 1, 4, 8	10	Bonds
Nov 11, 15	11	Reporting and interpreting stockholders' equity
Nov 18, 22, 25	12	Statement of cash flows
Nov 29		Review session (optional)