

HONG KONG UNIVERSITY OF SCIENCE & TECHNOLOGY  
DEPARTMENT OF ACCOUNTING

**ACCT 2010: Principles of Accounting I**  
Fall 2025

(1 September 2025 – 30 November 2025)

<b>Instructor</b>	Dr. Steven Cheung		
<b>Instructor's Contact</b>	Rm. 6043, 6/F., LSK Building, e-mail: <a href="mailto:acstcheung@ust.hk">acstcheung@ust.hk</a> , Tel. 3469 2971		
<b>Office Hours</b>	Tuesday 09:00 – 11:00 (by appointments)		
<b>Lecture Time &amp; Venue</b>	L02	Tuesday	15:00 – 16:20 (Rm 6555, Lift 29-30)
		Thursday	15:00 – 16:20 (Rm 6555, Lift 29-30)
	L15	Tuesday	16:30 – 17:50 (Rm 1034, LSK Bldg)
		Thursday	16:30 – 17:50 (Rm 1034, LSK Bldg)
<b>Teaching Associate</b>	Mr. Vincent Leung Rm. 6066, 6/F LSK Building, e-mail: <a href="mailto:vincentltm@ust.hk">vincentltm@ust.hk</a> , Tel. 2358 7582		
<b>Course Web Site</b>	Accessible via canvas (Course web): <a href="http://canvas.ust.hk">http://canvas.ust.hk</a>		

## I. Course Description

Accounting is generally known as “the language of business”. In the contemporary business environment, accounting skills build a solid foundation for making business decisions. In this course, you will learn how to *converse* in this language. ACCT 2010 covers the essential concepts and principles of financial accounting. Emphasis is put on the accounting cycle, recording and summarizing data from transactions through the presentation of financial statements.

## II. Course Objectives

The course is designed to provide students with an overview of financial accounting. By the end of this course, you should be able to:

1. Develop a comprehensive and well-founded knowledge of financial accounting, including:
  - a. Understand the accounting categories: assets, liabilities, equity, revenues and expenses;
  - b. Understand how an accounting system keeps track of information (from transactions);
  - c. Understand how generally accepted accounting principles (GAAP) influence what is recorded in the books of a business entity;
  - d. Prepare a statement of financial position, income statement and statement of cash flows;
  - e. Read, interpret and analyze a set of financial statements.
2. Understand the role of financial accounting in the decision-making process of business organizations. Apply financial accounting frameworks to business situations.

3. Be able to form critical judgment covering an ability to identify and define accounting and business problems, apply analytical and quantitative techniques, make and justify decisions.
4. Be effective in communication through collection, analysis and organization of information and ideas and their clear transmission.
5. Demonstrate teamwork, independence and creativity including working, learning and problem solving as a team and independently.
6. Demonstrate ethical and social understanding including knowledge and respect of ethics and ethical standards in accounting and an understanding of corporate social responsibility.

Course Objectives	Topics	Assessed
1-4	1-4	Assignments, participation
1-4	4, 6-9	Mid-term, participation
1-4	All topics	Final exam, participation

### III. Textbook & Supplementary Readings

1. Libby, Libby and Hodge. *Financial Accounting*, 12<sup>th</sup> edition, McGraw-Hill Education. ISBN 978-1-265-08392-2 (Prescribed textbook)
2. Handouts on the canvas course web (<http://canvas.ust.hk>): you will be able to download copies of the slide decks and/or other documents used in this course (e.g., assignments, solutions to textbook exercises, extra readings etc.). You will need to either print the notes and documents or bring your computer with the files on it to class to facilitate note-taking in the course as hardcopies of the documents will not be provided in the course.

**NOTE:** when printing out the slide decks from the course web, please select from the Windows Print Screen “Pure black and white” in the lower left-hand portion of the screen. This will prevent you from getting illegible pages.

### IV. Grading Scheme

<u>Description</u>	<u>Weight</u>
Participation	5%
Individual assignment (due on 28 September 2025, Sunday, 11:59 p.m.)	20%
Mid-term exam (24 October 2025, Friday, 7:00 – 8:00 p.m.)	25%
Final exam (8 – 19 December 2025)	50%
Total	100%

#### NOTES:

1. There will be 10% mark deduction as penalty for late submission of individual assignment per day. You can download the assignment question. Once you have completed the work, you can upload the answer to Canvas. The document must be in Word or PDF format – Excel files are not accepted. While you can use Excel to do your calculations, you should copy the results over to a Word or PDF document. Be sure to include your calculations in the document you submit.
2. No make-up arrangement would be given for the mid-term exam. Students absent from mid-term exam will receive no mark for that component, except for highly unusual circumstances that cannot be controlled and avoided by the student – in which case the instructor will make special arrangement(s) that is best and fair to meet the course requirements in each case.

3. No make-up exam will be given for the final exam except for medical reasons supported by proper documentation.

### Final Grade Descriptors:

Grades	Short Description	Elaboration on subject grading description
A	Excellent Performance	Demonstrates a comprehensive grasp of subject matter, expertise in problem-solving, and significant creativity in thinking. Exhibits a high capacity for going beyond core requirements to achieve learning goals.
B	Good Performance	Shows good knowledge and understanding of the main subject matter, competence in problem-solving, and the ability to analyze and evaluate issues.
C	Satisfactory Performance	Possesses adequate knowledge of core subject matter, competence in dealing with familiar 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 subject matter, potential to achieve key professional skills, and the ability to make basic judgments.
F	Fail	Demonstrates insufficient understanding of the subject matter and lacks the necessary problem-solving skills. Shows limited ability to think critically or analytically and exhibits minimal effort towards achieving learning goals.

### Course AI Policy

The use of generative artificial intelligence tools to complete assessment tasks is prohibited.

### Communication and Feedback

Assessment marks for individual assessed tasks will be communicated via Canvas within two weeks of submission. Feedback on assignments will be provided on Canvas. Students who have further questions about the feedback including marks should consult the instructor within five working days after the feedback is received. After five working days, no amendments to the marks will be made.

## V. Course Policies

1. ACCT 2010 will have two class sessions per week that will each blend lecture, problem solving, and discussion. The class will typically begin with a lecture introducing the topic. Then, we will review problems that relate the issues raised in the lecture to a particular setting. I expect that you will come to each class adequately prepared by reading the appropriate chapter of the text and attempting the specified review questions.
2. *Practice problems.* There is no weekly graded homework assigned. Instead, a set of textbook problems from each chapter are recommended for your practice. The recommended practice problems are listed in the Tentative Course Schedule (VII) below.
3. *Academic honesty.* It is important that students follow university regulations on academic integrity and honesty. Academic dishonesty will not be tolerated and will be dealt with in accordance with university rules, which can be accessed at <http://ugadmin.ust.hk/integrity/student-1.html>

4. **Participation (5%):** There will be in-class exercises for students to complete, and participation will be graded based on effort. Please bring pen and paper to class. I will count only 8 submitted exercises as participation.
5. **Individual assignment (20%).** There is one take-home individual-based assignment. You are required to submit your assignment on Canvas by the deadline.
6. **Mid-term Examination (25%).** It is a closed-book examination. It is expected that all students will take the exam at the scheduled time. There will be no make-up examination for the mid-term. The date and time are subject to change.
7. **Final Examination (50%).** It is a closed-book examination. It is expected that all students will take the exam. There will be no make-up examination for the final examination (See also NOTES of section IV Grading Scheme above). The details of the final examination will be announced in due course.

## VI. Getting Help and Staying Touch

I will post course-related information at the course web site on the canvas course web (<http://canvas.ust.hk>). There are pre-scheduled office hours for the course. I suggest that you make an appointment beforehand.

You can ask substantive (as opposed to procedural) questions by e-mail — but please keep in mind that the questions pertaining to the course material should be preferably asked in class.

In order to make this introductory accounting course more conducive to learning, you are encouraged to participate in online discussions. Canvas provides us with a platform that we can have group chat together. If you have anything to share and discuss about this course, post your questions there.

## VII. Tentative Course Schedule

Week	Topic	Cap. Ref.	Practice Problems
1 (1 – 5 Sep)	Course outline & overview of financial accounting	1	E1-4; E1-5; E1-6; E1-7 and AP1-1
2 (8 – 12 Sep)	Class activities: Interactive discussion on selected annual reports Investing, financing decisions & balance sheet	2	E2-1; E2-2; E2-5; E2-12 and P2-2
3 (15 – 19 Sep)	Operating decisions & income statement	3	E3-1; E3-2; E3-5; E3-10&11; E3-13&14 and P3-1; P3-2; P3-3 and P3-4
4 (22 – 26 Sep)	Adjustments, financial statements & quality of earnings	4	E4-1; E4-2; E4-4; E4-6, 7, 8 & 9; and P4-1; P4-2 and P4-4
<i>Individual assignment due on 28 September 2025 (Sunday, 11:59 p.m.)</i>			

5 (29 Sep – 3 Oct)	Sales revenue; receivables & cash	6	E6-1; E6-2; E6-3; E6-4 and P6-1; P6-2; P6-4 and P6-5
6 (6 – 10 Oct)	Cost of goods sold & inventory	7	E7-2; E7-3; E7-4; E7-5; E7-9 and P7-5
7 (13 – 17 Oct)	Property, plant & equipment (“PPE”)	8	E8-1; E8-2; E8-5&6; E8-7&8 and
8 (20 – 24 Oct)	Current liabilities	9	E9-1; E9-5; E9-6, E9-7 and P9-4 & P9-5
<i>Mid-term exam scheduled on 24 October 2025 (Friday, 7:00 – 8:00 p.m.)</i>			
9 (27 – 31 Oct)	Long-term debts & Present Value applications	10	E10-1; E10-4; E10-7&8; E10-11; E10-12 and P10-8; P10-9&10; P10-11&12
10-11 (3 Nov – 14 Nov)	Owners’ equity	11	E11-1; E11-2; E11-3; E11-4 and P11-1; P11-2; P11-3
12 (17 – 21 Nov)	Statement of Cash Flows	12	E12-1; E12-2; E12-3&4; E12-5 and P12-1; P12-3 and P12-4
13 (24 – 28 Nov)	Course revision		

(The Course Schedule is subject to change)

## Rubrics for assessments

### Assignment (20%)

Topic(s)	Excellent (16-20%)	Good (12%-15%)	Satisfactory (9%-11%)	Marginal (5-8%)	Fail (Below 5%)
Topics 1-4	<p>Students have excellent answers.</p> <p>Students have comprehensive understanding of fundamental accounting concepts and accounting adjustments at the end of the years.</p> <p>Students are excellent in preparing income statement and balance sheet</p>	<p>Students have good answers.</p> <p>Students have good understanding of fundamental accounting concepts and accounting adjustments at the end of the years.</p> <p>Students are good in preparing income statement and balance sheet</p>	<p>Students' answers are largely incorrect.</p> <p>Students have limited understanding of fundamental accounting concepts and accounting adjustments at the end of the years.</p> <p>Students are weak at preparing income statement and balance sheet</p>	<p>Students' answers are significantly incorrect.</p> <p>Students have limited understanding of fundamental accounting concepts and accounting adjustments at the end of the years.</p> <p>Students are weak at preparing income statement and balance sheet with significant errors</p>	<p>No submission.</p> <p>Poor understanding of fundamental accounting concepts and accounting adjustments at the end of the years.</p> <p>Unable to prepare income statement and balance sheet.</p>

### Midterm (25%)

Topic(s)	Excellent (25%-20%)	Good (19%-15%)	Satisfactory (14%-10%)	Marginal (9%-6%)	Fail (below 6%)
Topics 4, 6-9	Students are excellent in exploring the stages of the sales cycle, analyzing how it affects revenue recognition and cash flow management,	Students are good at exploring the stages of the sales cycle, analyzing how it affects revenue recognition and cash flow management,	Students are able to explore the stages of the sales cycle, analyzing how it affects revenue recognition and cash flow	Students have limited understanding of exploring the stages of the sales cycle, analyzing how it affects revenue recognition and cash	No submission. Their answers demonstrate that they do not have a basic understanding of the topics in these areas.

	<p>while evaluating strategies to enhance operational efficiency.</p> <p>Students have a deep dive into COGS They can assess its components, explore inventory valuation methods, and understand their impact on profitability and pricing strategies.</p> <p>Students have comprehensive understanding of the acquisition, valuation, and depreciation of PPE, emphasizing its significance in long-term financial planning and asset management.</p> <p>Students will identify and evaluate various current liabilities, analyzing their implications for liquidity and short-term financial health.</p>	<p>while evaluating strategies to enhance operational efficiency.</p> <p>Students have good understanding of COGS</p> <p>Students can assess its components, explore inventory valuation methods, and understand their impact on profitability and pricing strategies with minor errors</p> <p>Students have good understanding of the acquisition, valuation, and depreciation of PPE, emphasizing its significance in long-term financial planning and asset management with minor errors.</p> <p>Students will identify and evaluate various current liabilities, analyzing their implications for liquidity and short-term financial health with minor errors.</p>	<p>management, while evaluating strategies to enhance operational efficiency, but their answer contain some errors</p> <p>Students have some understanding of COGS</p> <p>Students assess its components, explore inventory valuation methods, and understand their impact on profitability and pricing strategies with some errors</p> <p>Students have some understanding of the acquisition, valuation, and depreciation of PPE, emphasizing its significance in long-term financial planning and asset management with some errors.</p> <p>Students will identify and</p>	<p>flow management, while evaluating strategies to enhance operational efficiency, and their answer contain significant errors</p> <p>Students have limited understanding of COGS</p> <p>Students assess its components, explore inventory valuation methods, and understand their impact on profitability and pricing strategies with significant errors</p> <p>Students have limited understanding of the acquisition, valuation, and depreciation of PPE, emphasizing its significance in long-term financial planning and asset management with significant errors.</p> <p>Students have limited</p>	
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			evaluate various current liabilities, analyzing their implications for liquidity and short-term financial health some errors.	understanding of evaluating various current liabilities, analyzing their implications for liquidity and short-term financial health significant errors.	
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Final Exam (50%)

Topics	Excellent (50%-40%)	Good (39%-35%)	Satisfactory (34%-28%)	Marginal (27%-20%)	Fail (Below 20%)
All topics	Students demonstrate excellent knowledge in integrating the knowledge of the courses	Students demonstrate good knowledge in integrating the knowledge of the courses	Students demonstrate some knowledge in integrating the knowledge of the courses	Students demonstrate limited knowledge in integrating the knowledge of the courses	Students fail to demonstrate knowledge in integrating the knowledge of the courses.