

**The Hong Kong University of Science & Technology**

**Department of Accounting**

**ACCT2010 – Principles of Accounting I**

**2022-23 September Semester Course Outline**

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Classes: L12: Monday 16:30 – 17:50 & Friday 12:00 – 13:20

L13: Monday & Wednesday 9:00 – 10:20

L14: Monday & Wednesday 10:30 – 11:50

Teaching Associate: Mr. KK Lee

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**Course Description**

This course provides an introduction to the financial accounting and reporting process from the perspective of external decision-makers. The course focuses on fundamental accounting concepts and principles. You will learn how the economic transactions of an enterprise are reported in the financial statements and related disclosures. The course is designed to provide an overview of financial accounting so that, upon completion of the course, you should be able to read, interpret, and analyze corporate financial reports.

**Textbook and Supplementary Readings**

1. Libby, Libby, and Hodge. Financial Accounting, 11th edition (2023), 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:
3. Lecture notes: you can download lecture notes on CANVAS.

## Grading Scheme

| <u>Description</u> | <u>Weight</u>      |
|--------------------|--------------------|
| Participation      | 5%                 |
| Homework           | 25%                |
| Midterm exam       | 20%                |
| Final exam         | <u>50%</u>         |
| <b>Total</b>       | <b><u>100%</u></b> |

### NOTES:

1. Participation: Starting from September 1, delivery for classes will be in-person on campus. Lectures are critical for you to succeed in this course. I will evaluate your class participation by giving out computational task and questions during lectures (there should be altogether 1 computational task and 3 questions during 3 different lectures). For questions raised during lecture you should write down your answer in a paper distributed during class and return at the end of the lecture. Your mark will depend on whether the number of time you participate and how good your answer show you have insight in this subject.
2. Homework Assignments:
  - a. There will be 5 problem sets on Connect, and each one is 5 points. The deadline is normally two weeks after the release day.
  - b. The problem set is selected to ensure that you get to practice and solidify the concepts you learned in the lectures. Please note that the grade is based on accuracy. For each assignment, you have unlimited attempts, and your grade is the highest of all your attempts.
  - c. NO late submission will be accepted unless there is a health issue or other emergencies.
3. Midterm Exam:
  - a. There are one midterm test that covers chapter 1 – 7.
  - b. According to ARO that all students have to attend midterm test and final exams in person.
  - c. You should take precautionary actions to avoid missing the midterm test. NO make-up test will be given under any circumstances. However, if you run into some health issues or other emergencies, you must submit related proof, such as a doctor's certificate, as soon as possible and the weight of your test will be shifted to the final exam. Otherwise, you will receive a score of zero.
4. Final Exam:
  - a. The arrangement for the final exam is to be determined.
  - b. The final exam is cumulative – it will cover everything you learned in this course from chapter 1 to 12. Please be aware that this course becomes much more difficult in later chapters!
5. To do well in this course, you are expected to spend not less 10 hours per week on this course.

## **Conduct of This Course**

- a. All lectures are conducted in an interactive mode. You can ask question any time during our lectures.
- b. If you have questions related to lecture notes, homework assignments or other course content, you can ask me after class or during office hours. You may send me email to clarify too.
- c. You are also welcome to come to my office to discuss. Please send me an email to schedule an appointment.

## 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 (<https://registry.hkust.edu.hk/resource-library/academic-integrity>).

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 Teaching Schedule (May Subject to Change)

| Lecture Dates     |                |         |  |
|-------------------|----------------|---------|--|
| L12               | L13 & L14      | Chapter | Topic  |
| Sep 2, 5          | Sep 5 & 7      | 1       | Financial Statements and Business Decisions                    |
| Sep 9 & 16        | Sep 14 & 19    | 2       | Investing and financing decisions and the accounting system    |
| Sep 19 & 23       | Sep 21 & 26    | 3       | Operating decisions and the accounting system                  |
| Sep 26 & 30       | Sep 28 & Oct 3 | 4       | Adjustments, financial statements, and the quality of earnings |
| Oct 3 & 7         | Oct 5 & 10     | 5       | Communicating and Analyzing Accounting Information             |
| Oct 10 & 14       | Oct 12 & 17    | 6       | Sales revenue, receivables, and bad debt                       |
| Oct 29 (Saturday) |                |         | Midterm Exam   |
| Oct 17 & 21       | Oct 19 & 24    | 7       | Cost of goods sold and inventory                               |
| Oct 24 & 28       | Oct 26 & 31    | 8       | Property, plant, and equipment                                 |
| Oct 31 & Nov 4    | Nov 2 & 7      | 9       | Reporting liabilities  |
| Nov 7 & 11        | Nov 9 & 14     | 10      | Bonds  |
| Nov 14 & 18       | Nov 16 & 21    | 11      | Reporting and interpreting stockholders' equity                |
| Nov 21 & 25       | Nov 23 & 28    | 12      | Statement of cash flows  |

\* We will start a new chapter if we finish a chapter in the middle of the lecture