**Course Title**  
Intermediate Financial Accounting  

**Course Number**  
Management 120B, Section 1  

**Quarter**  
Summer 2012  

**Instructor**  
Danny S. Litt  

**Meeting Times**  
Tuesday & Thursday, 8:30am-10:35am  

**Meeting Dates**  
August 7, 2012 – September 13, 2012  

**Final Exam**  
September 13, 2012, 8:30am – 10:30am  

**Class Location**  
Royce, Room 362  

**UCLA Office**  
Anderson School of Management, Room D 406  

**UCLA Office Phone Number**  
310-825-8828 (message)  

**UCLA Office Hours**  
Tuesday & Thursday, 7:15am – 7:45am  

**E-mail address**  
dlitt@ucla.edu (reference Management 120B)  

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**Course Description**  
Covers accounting for bonds; accounting for corporations; contributed capital; stock rights, options, and convertible securities; retained earnings and dividends; treasury stock, book value and earnings per share; pension plans; long-term leases; and income taxes. Other topics include cash flow statements and analyzing financial statements.

**Course Goals and Objectives**  
Develop an understanding and comprehension of generally accepted accounting principles and their application to the basic accounting process. This class is the second part of the two part series of Intermediate Financial Accounting. After completing this course, the student should be able to:

- Understand the accounting concepts and prepare and use the accounting information.
- Recognize where traditional financial statements may and may not be adequate.
- Recognize emerging approaches, understand how they may improve on the traditional, and integrate the two.
- Develop skills in group problem solving.

**Topics Include**  
- Current Liabilities
- Long-Term Liabilities
- Stockholders Equity
- Earnings per Share and Dilution
- Income Taxes
- Pensions and Post-Retirement Benefits
- Leases
- Accounting for changes and errors
- Statement of Cash Flows
- GAAP vs IFRS
REQUIRED COURSE TEXT


REQUIRED COURSE READER

The course reader is available now and will be essential for every class. Be sure to bring it to all the class meetings:

COURSE READER MATERIAL
310.443.3303
1081 Westwood Blvd. ENTRANCE on Broxton Ave.
South of Wayburn & City of LA Parking on Broxton Ave.

RECOMMENDED READING

Current daily issues of the Wall Street Journal.
Current issues of Business Week Magazine.
Current issues of The Daily Bruin
AccountantsWorld News <www.accountantsworld.com>

GRADING

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<thead>
<tr>
<th></th>
<th>Points</th>
<th>Percentage (%)</th>
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<tbody>
<tr>
<td>Case 1</td>
<td>50</td>
<td>10</td>
</tr>
<tr>
<td>Case 2</td>
<td>50</td>
<td>10</td>
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<tr>
<td>Exam 1</td>
<td>200</td>
<td>40</td>
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<tr>
<td>Exam 2</td>
<td>200</td>
<td>40</td>
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<tr>
<td>Total</td>
<td>500</td>
<td>100%</td>
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Exam 1 will cover the material preceding the exam and is anticipated to last one and one-half hours. Exam 2 is cumulative, with emphasis on the later chapters, and will be approximately three hours in length. There will be no makeup exams.

Each student is expected to attend regularly and be prepared to discuss the material covered that day. Each student is individually responsible for completing the required assignments prior to the beginning of class and for bringing the assignment to class. Students will be asked to explain their solutions of the homework assignments to the class. These homework assignments will not be submitted. There may be “pop” quizzes. Extra credit points may be earned by submitting reviews of articles that are applicable to the subject matter.

EXAMS

There will be two exams. Each exam is worth 200 points for a total of 400 points or 80% of the grade. These exams will relate to the relevant course material and will be application oriented. There are no make-up exams. More information will be provided later.

CASES

There will be two cases examining various management accounting principles that relate to the class material. Each case is worth 50 points. More information will be provided later.

The students will organize themselves into groups of three to six by the second class meeting. Each group will submit solutions to the two graded case assignments. Once groups are formed,
case write-ups are a group responsibility. High quality is expected, in both content and form. Content includes specificity, completeness, clarity, grasp of significant issues, and originality. Form includes grammar, punctuation, spelling, conciseness, organization, and legibility. Cases may require significant computer analysis, e.g. Excel spreadsheets.

Proper case write-ups have several attributes. They are prepared on a word processor, double-spaced, letter quality, and concise (less than ten pages, not counting exhibits and executive summary). They typically begin with an executive summary. They do not restate case facts except as brief citations to support arguments or conclusions. They go beyond merely answering the required assignment questions to demonstrate a significant grasp of issues. If there is a required executive summary, it should be no longer than a few pages. It should only present major conclusions, summary numbers and recommendations. It should not summarize reasoning, evidence, or arguments, nor should it present any facts from the case.

Each group must work together jointly, not by dividing the work into parts. If one or more group members do not participate, omit their names from the group paper or as Donald Trump says: “You’re fired.” Each group’s members are urged to study together, assist each other, and learn from each other. This approach generally improves an individuals’ learning. Each individual is ultimately responsible for performing, however, so the group must evaluate the members of its group with respect to work, effort and performance.

**Grading Scale**

The grades are indicators of the relative knowledge and skill of a student as compared to the performance of other students in the course. The grades in the course will be adjusted so that the mean or average in the class will be a C+ to B-; a grade of approximately 2.5 or greater.

**Policy on Incomplete Grade**

The grade Incomplete (“I”) may be assigned only in cases where:

- The student’s work is of passing quality at the time the incomplete grade is granted and only a small portion of the coursework remains unfinished.
- The coursework has not been completed due to extraordinary and verifiable circumstances (such as illness, death in the immediate family, or other similar situations).
- The student agrees to complete the coursework as soon as possible within the following quarter. Note that if the coursework is not completed by the following quarter, the incomplete grade will automatically be converted to an “F.”
- The instructor agrees to give a grade of “incomplete” and evaluate the remaining coursework if turned in during the following quarter.

The Agreement for Assignment of a Grade of “Incomplete” form must be signed by both the student and the instructor, and approved by the Director of the Undergraduate Accounting Minor Program.

If a student has not completed the course, does little or no work during the quarter and does not have the appropriate good cause, the student’s grade will be posted as F, NP or U as appropriate.

**Web Site**

The website for our class was created in Moodle, an open source Course Management System (CMS). Our course can be accessed via the following methods:

- CCCLE website, [http://ccle.ucla.edu](http://ccle.ucla.edu) - look under the Management category, Summer 12 folder for our class.
Registrar website, [www.registrar.ucla.edu](http://www.registrar.ucla.edu) – look under Schedule of Classes. In the course detail there is a link to our class.

Students who have enrolled in the class can find the course website under My UCLA, [http://my.ucla.edu/](http://my.ucla.edu/)

**EMAIL POLICIES**

Emails are a useful and expeditious communication tool. Responses to all emails will be within 24 hours, including weekends. However, a few individuals view email as an around-the-clock substitute for attending class or interacting with classmates. As such, before sending an email, please consider:

1. Administrative issues and topics discussed in a class you missed should be directed to a fellow classmate.
2. Unless a matter is urgent, please save your inquiry for the next class session or for office hours. Personal conversations will allow a more thorough answer, gain an insight into your conceptual struggles, understand any faulty underlying assumptions, and diagnose your problem more accurately.
3. There are many subjects that are too sensitive to discuss over email mainly because misinterpretation could have serious consequences. Some topics that should generally be resolved outside of email are:
   - Disciplinary action
   - Conflicts about grades or personal information. I am happy to discuss your grades in person. Privacy laws prevent me from using email
   - Concerns about fellow classmates/group mates
   - Complaints
4. If your email concerns grading records or the textbook, please assume that these items may not be with me when I receive your email.
5. Be concise and to the point. Do not make an e-mail longer than it needs to be. Remember that reading an e-mail is harder than reading printed communications and a long e-mail can be very discouraging to read. Extremely long emails take longer to elicit a response.
6. Please state discrete questions that call for succinct answers. If you pose more than one question, please number your questions, so they can be referred to by number.
7. Read the email before you send it. A lot of people don't bother to read an email before they send it out, as can be seen from the many spelling and grammar mistakes contained in emails. Apart from this, reading your email through the eyes of the recipient will help you send a more effective message and avoid misunderstandings and inappropriate comments.

If your email meets the above criteria, be sure to type **UCLA and the course number** in the subject heading of your email. Otherwise, it will end up in my “junk” mail folder and go unread.
## LESSON PLAN

All homework assignments are from Spiceland, Sepe, and Nelson and are due the following class session from assigned date. (C=Cases, E=Exercises, P=Problems) (Px-n, where x is the chapter and n is the problem number)

Group Case Assignments will be posted to our website.

<table>
<thead>
<tr>
<th>Class</th>
<th>Date</th>
<th>Topics</th>
<th>Annual Report</th>
<th>Homework</th>
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<tbody>
<tr>
<td>1</td>
<td>8/7/12</td>
<td>Course Introduction</td>
<td>General Motors</td>
<td>P13-1, 2, 6, 7, 8, 9</td>
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<td></td>
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<td>Chapter 13: Current Liabilities and Contingencies</td>
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<td>2</td>
<td>8/9/12</td>
<td>Chapter 14: Bonds and Long-Term Notes</td>
<td>IBM</td>
<td>P14-1, 2, 3, 6, 7, 13, 16, 19, 21</td>
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<td>3</td>
<td>8/14/12</td>
<td>Chapter 15: Leases</td>
<td>P&amp;G</td>
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<td>4</td>
<td>8/16/12</td>
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<td>Sears</td>
<td>P15-8, 9, 10, 11, 12</td>
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<td>8/21/12</td>
<td>Chapter 16: Accounting for Income Taxes</td>
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<td>8/23/12</td>
<td>Exam 1 (Chapters 13 – 16)</td>
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<td>Chapter 17: Pensions and Other Postretirement Benefits</td>
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<td>8/30/12</td>
<td>Chapter 18: Shareholders’ Equity</td>
<td>Nike</td>
<td>P18-1, 2, 3, 4, 5, 6, 7, 8, 9, 13</td>
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<td>9/4/12</td>
<td>Chapter 19: Share-Based Compensation and Earnings per Share</td>
<td>Amazon</td>
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<td>10</td>
<td>9/6/12</td>
<td>Chapter 20: Accounting Changes and Error Corrections</td>
<td>Electronic Data Systems</td>
<td>P20-1, 2, 3, 4, 5, 6, 7</td>
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<td>11</td>
<td>9/11/12</td>
<td>Chapter 21: The Statement of Cash Flows Revisited</td>
<td>Sears</td>
<td>P21-1, 2, 3, 4, 5, 6, 7, 8</td>
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<td>12</td>
<td>9/13/12</td>
<td>Exam 2 (all chapters)</td>
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<td>Case 2</td>
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## CLASS ETIQUETTE

No cell phones or beepers are allowed in the classroom. Please turn them off!! No food or drink (other than water) is allowed in the classroom.

## DISCLAIMER

This syllabus may change from time to time to accommodate changing circumstances. Every effort will be made to alert students to changes that occur in a timely manner. While the material will be covered in the order presented in the schedule the actual timing may change from week to week as the course progresses.
FINANCIAL CALCULATOR

It is highly recommended that you use a financial calculator. An HP 10B series, HP 12 series, HP 17 series, Sharp EL-733A or Texas Instruments BA II Plus financial calculator is acceptable. You may NOT use your cell phone or your PDA. You may use a graphing calculator, if the memory has been cleared. Other instructors may have different policies. It is important to realize that financial calculators are normally required on the job. The net present value of this investment is extremely positive. If you are interested in finance, real estate, financial services, or accounting you should really consider investing in the HP17 calculator; it is a professional level machine that you may well use for the next decade or more.