

Acc F380K
Financial Accounting Standards and Analysis II
Summer 2009
(unique no. 71015)

Tuesday, Wednesday, and Thursday in GSB 2.120 from 3:30 p.m. – 6:00 p.m.

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Office Hours: Wednesday and Thursday 2:00 p.m. – 3:15 p.m. and by appointment

Teaching Assistant: TBA

Required Text: Advanced Financial Accounting, (8th edition), by Baker/Lembke/King/Jeffrey (McGraw-Hill Irwin, 2009). It is not possible to use the 7th edition.

Class Procedures: You are expected to be at class on time and have your cell phone turned off. Class time will be used for lectures, discussion, student questions and exercises review. Your active participation is expected and encouraged.

Homework: Homework problems and exercises are assigned for each class. You are expected to prepare solutions to these assignments so that you can discuss them in class, follow my review of them or re-work them as a quiz. Solutions will be posted on Blackboard.

Grades: The three components of student grades and their relative weights are noted below:

First exam	40%
Final exam	50%
Class participation	<u>10%</u>
	100%

The first exam is scheduled for two hours (during class time). The final exam (date TBA) is on Fri or Sat after the last class. There will be no make-up exams. The exams are scheduled far enough in advance so that you can plan your semester's calendar appropriately.

Course Objectives: Because this course covers several complex topics and situations, it has many objectives. Among other things, this course will attempt to:

- a) Increase your awareness and understanding of numerous financial features associated with the operations of affiliated business enterprises.
- b) Expand your technical proficiency in accounting for transactions involving affiliated business enterprises and in the preparation of consolidated financial statements.
- c) Develop your conceptual understanding of and appreciation for the significant accounting and reporting requirements pertaining to consolidated or affiliated enterprises.

- d) Improve your ability to interpret and use financial statements describing the financial condition and operating results of affiliated business entities.
- e) Present US-GAAP but also where appropriate foreign GAAP, in particular IFRS.

Scholastic Dishonesty: The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the Policy Statement on Scholastic Dishonesty for the McCombs School of Business.

By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all of the students responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification. Policy on Scholastic Dishonesty: Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu> or the General Information Catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Schedule (tentative)

Date	Text	Topic	E = Exercise P = Problem
Jun 4	Ch. 1 Ch. 2	Introduction Intercorporate acquisitions and investments Reporting intercorporate interests	P 1-33; P 1-42; P 1-37 E 2-7; E 2-17
Jun 9	Ch. 2 Ch. 3	Reporting intercorporate interests Consolidated financial statements	P 2-26; P 2-29; E 2-8 E 3-5; E 3-8; E 3-7
Jun 10	Ch. 3 Ch. 4+5	Consolidated financial statements Consolidation of subsidiaries on acquisition date - Wholly-owned sub @ book value - Less than wholly-owned sub @ BV	P 3-34; P 3-31 E 4-7 E 5-8
Jun 11	Ch. 4+5	- Ownership purchased @ more than BV - Bargain purchase - Push-down accounting	E 4-9; E 4-10; E 5-3, P 5-29 P 4-25 E 4-19
Jun 16	Ch. 4+5	Consolidation of subsidiaries following acquisition	E 5-11; E 5-14; P 5-32;
Jun 17	Ch. 4+5	Consolidation of subsidiaries following acquisition	P 5-33; P 5-34

Jun 18	Ch. 6	Intercompany transfers: noncurrent assets	E 6-3; E 6-6; P 6-36;
Jun 23	Ch. 6	Q&A Session for First Exam Intercompany transfers: noncurrent assets	P 6-37; P 6-40
Jun 24		FIRST EXAM (2h): 3:30-5:30	
Jun 25	Ch. 7	Intercompany inventory transactions	E 7-7; E 7-8; E 7-9; E 7-12; E 7-13
Jun 30	Ch. 7 Ch. 9	Review First Exam Intercompany inventory transactions Consolidation ownership issues	P 7-27 E 9-7; E 9-14
Jul 1	Ch. 9 Ch. 10	Consolidation ownership issues Additional consolidation reporting issues	E 9-13; E 9-16; E 9-26 E 10-5; E 10-6; P 10-17
Jul 2	Ch. 10	Additional consolidation reporting issues	E 10-15; P 10-31; E 10-8; E 10-9; E 10-12
Jul 7	Ch. 11	Foreign currency transactions	E 11-5; E 11-6; E 11-4; E 11-10; P 11-23A (omit e)
Jul 8	Ch.12 Ch. 13	Foreign currency translation Segment and interim reporting	E 12-5; E 12-6; E 12-12; E 12-7 E 13-1; E 13-19
Jul 9	Ch. 13 Ch. 15 Ch. 16	Q&A Session for Final Exam Segment and interim reporting Partnership formation and operations Partnership liquidation	E 13-4; E 13-5 E 15-2; E 15-7; E 15-9 P 16-13; P 16-15; P 16-16
TBA		Final Exam (3h)	