Acc S380K.2
Financial Accounting Standards and Analysis II
Summer 2017
(unique no. 71095)

Tuesday, Wednesday and Thursday in UTC 1.102 from 11:00 a.m. – 1:30 p.m.

Dr. Christopher Hossfeld, campus office and phone number TBD

E-Mail: chossfeld@escpeurope.eu or chris.hossfeld@mccombs.utexas.edu

Office Hours: Appointments after class


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 examination 40%
- Final examination 50%
- Class participation 10%
- 100%

The first exam is scheduled for approx. 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, foreign currency transactions and translation and segment disclosures.
d) Improve your ability to interpret and use financial statements describing the financial condition and operating results of affiliated business entities, including multinational organizations.

e) Present US-GAAP but also where appropriate foreign GAAP, in particular IFRS.

Scholastic Dishonesty: The Department of Accounting 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 Department's Policy Statement on Scholastic Dishonesty in the MPA Program. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. 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, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at http://deanofstudents.utexas.edu/sjs/ to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.

Schedule (tentative)

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<th>Text</th>
<th>Topic</th>
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<td>1) July 11</td>
<td>Ch. 1</td>
<td>Intercorporate acquisitions and investments</td>
<td>P 1-30; P 1-31; P 1-33; P 1-39; P 1-34</td>
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<td></td>
<td>Ch. 2</td>
<td>Reporting intercorporate interests</td>
<td>E 2-6; E 2-9; E 2-15</td>
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<td>2) July 12</td>
<td>Ch. 2</td>
<td>Reporting intercorporate interests</td>
<td>E 2-16; E 2-23</td>
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<td>Ch. 3</td>
<td>Consolidated financial statements</td>
<td>E 3-5; E 3-7</td>
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<td>3) July 13</td>
<td>Ch. 3</td>
<td>Consolidated financial statements</td>
<td>P 3-27; P 3-28; P 3-22</td>
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<td></td>
<td>Ch. 4+5</td>
<td>Consolidation of subsidiaries on acquisition date</td>
<td>E 4-20</td>
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<tr>
<td></td>
<td></td>
<td>- Wholly-owned sub at book value</td>
<td>E 5-13</td>
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<td></td>
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<td>- Less than wholly-owned sub at BV</td>
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<td>4) July 18</td>
<td>Ch. 4+5</td>
<td>Ownership purchased at more than BV</td>
<td>E 4-8; E 4-17; E 4-16; P 4-28; P 4-29; P 4-30; E 5-3; P 5-30</td>
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<td>5) July 19</td>
<td>Ch. 4+5</td>
<td>Bargain purchase</td>
<td>P 4-30</td>
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<td>- Push-down accounting</td>
<td>E 4-24A</td>
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<td>Consolidation of subsidiaries following acquisition</td>
<td>E 5-9; E 5-12</td>
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<td>6) July 20</td>
<td>Ch. 4+5</td>
<td>Consolidation of subsidiaries following acquisition</td>
<td>P 5-33; P 5-34; P 5-39</td>
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<td>Ch. 6</td>
<td>Intercompany inventory transactions</td>
<td>E 6-7; E 6-8; E 6-9</td>
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<td>Date</td>
<td>Sessions</td>
<td>Notes</td>
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| 7) July 25 | Q&A Session for First Exam  
Ch. 6  
Intercompany inventory transactions  
Ch. 7  
Intercorporate transfers: noncurrent assets | E 6-12; P 6-26  
E 7-3; E 7-6 |
| 8) July 26 | **FIRST EXAM (2h)**                                                     |                                            |
| 9) July 27 | Intercompany transfers: noncurrent assets  
Ch. 7  
Consolidation ownership issues | P 7-35; P 7-33; P 7-38  
E 9-7; E 9-14; E 9-13 |
| 10) August 1 | Review First Exam  
Ch. 9  
Consolidation ownership issues  
Ch. 10  
Additional consolidation reporting issues | E 9-16; E 9-26  
E 10-5; E 10-6; P 10-18 |
| 11) August 2 | Additional consolidation reporting issues  
Ch. 10 | E 10-16; P 10-33;  
E 10-8; E 10-9; E 10-13 |
| 12) August 3 | Foreign currency transactions  
Ch. 11 | E 11-5; E 11-6; E 11-4;  
E 11-10; E 11-23A (omit e) |
| 13) Aug 8 | Foreign currency translation  
Ch. 12  
Segment and interim reporting  
Ch. 13 | E 12-5; E 12-6;  
E 12-7  
E 13-1; E 13-19 |
| 14) Aug 9 | Segment and interim reporting  
Ch. 13  
Partnership formation and operations  
Ch. 15 | E 13-4; E 13-5  
E 15-1; E 15-3; E 15-2;  
E 15-7; E 15-9 |
| 15) Aug 10 | Q&A Session for Final Exam  
Ch. 16  
Partnership liquidation | P 16-13; P 16-15;  
P 16-16 |
| August 12 | **Final Examination (3h)**  
Room and time TBD |                                            |