



## **MGB 200A: FINANCIAL ACCOUNTING**

### **Contact Information**

**Professor:** Michelle Yetman, *Ph.D., CPA*

**Email:** [mhyetman@ucdavis.edu](mailto:mhyetman@ucdavis.edu) (note "MGB 200A" in the subject line for email)

**Office:** Gallagher Hall, room 3108-H

**Office Hours:** by appointment

### **Course Objective**

To make you informed users of financial information prepared under U.S. "generally accepted accounting principles" (GAAP). GAAP defines the set of accounting method and disclosure practices from which firms select when providing information to external parties, such as investors, financial analysts, lenders, and regulators. The Financial Accounting Standard Board (FASB), a private sector regulatory authority, sets GAAP. The primary emphasis of this course is to assist you in developing basic skills required to interpret, analyze, and evaluate information reported in GAAP financial statements.

### **Textbook**

Hanlon, M. L., Magee, R. P., Pfeiffer, G. L., & Dyckman, T. R. (2020). *Financial accounting* (6th ed.). Westmont, IL: Cambridge Business Publishers.  
ISBN: 978-1-61853- 311-1

### **Attendance**

Although attendance is not required, I strongly suggest that you attend class, as it is valuable in helping you understand the material. Because the textbook covers the basic concepts, I will be building on these concepts in class. Thus, much of the material I cover in class will not be in the textbook. If you do need to miss class, you will need to rely on a classmate for any notes taken in class. I am happy to answer questions about the material, but only after you attempt to work through it yourself.

## Course Assessments

Course grades will be based on the following components (more details on each component are provided below):

a) Homework	25%
b) Quiz (Session 5)	25%
c) Final Exam (Session 11)	50%

Homework should be submitted via Canvas.

### Course Letter Grade

The letter grade is based on percentage of points earned and corresponds to the following scale:

A+ 98–100%	B+ 87–89%	C+ 77–79%	D 60–69%
A 93–97%	B 83–86%	C 73–76%	F 0–59%
A- 90–92%	B- 80–82%	C- 70–72%	

#### a) Homework

Each homework assignment will be available on Canvas at the conclusion of each Saturday session, that is after sessions 2, 4, 6, 8 and 10. Homework is due eight days later, precisely on Sunday at 9 pm. Homework should be completed on an individual basis (i.e., each student should turn in individually generated solutions). You may (and I encourage you to) work with your classmates to complete your homework, but in fairness to all students, you may not seek assistance on specific homework problems from the Professor. Submit solutions through Canvas; if you have problems doing so, email your homework in pdf format to the professor by the due date. Late homework will not be accepted as the solutions will be posted on Canvas shortly after the due date.

#### b) Quiz 1 (Session 5)

The quiz will be given in class in Session 5. The quiz is 60 minutes and is closed book. The quiz covers material in Chapters 1, 2, 3, and 6 (only pages 272 to the top of 280 for Chapter 6) and any material from the lectures in Weeks 1, 2, 3, and 4. The format of the quiz is multiple choice and short answer. Students will be required to submit the calculations supporting their answers.

#### c) Final exam (end of Session 10)

The final exam is 150 minutes and is closed book. The exam is comprehensive; it covers all readings and materials for the 10-Session course. The format of the exam is multiple choice and short answer. Students will be required to submit the calculations supporting their answers.

## Performing Well

This course does not require a prerequisite and will be taught assuming no prior knowledge of accounting. Because this is a master's course we move through the material quickly. This gives you little time to digest the material before we move on. Not understanding the basic framework presented in the first three chapters of the book will prevent the understanding of material in later chapters since the accounting concepts build on this framework. Financial accounting takes a lot of effort to get the basic idea. Once you have the basic idea, it is relatively easy.

## Classroom Policies (late arrivals, cell phones, and laptops)

Please do your best to arrive in time. I realize that circumstances may occur where you may be late to class. Please feel free to join the class late, but enter quietly and try to minimize disruption to the class. Also, please turn your cell phone off during class. If you must have your cell phone on during class then please turn it on vibrate and sit in an area of the class room where you can minimize disturbance should you need to leave the room to take a call. Laptops are allowed to be used in class, but only for tasks relating to the course, such as taking notes or using excel worksheets for problems. Using laptops for tasks unrelated to the course during class time is not allowed, as it is distracting to other students sitting around you. Furthermore, please be respectful to all of your classmates and do not talk to your neighbors during class. Finally, students should adhere to the UC Davis Principles of Community: [Principle's web page](#).

## Academic Honesty

The GSM takes academic honesty very seriously and vigorously enforces university policy related to infractions. Click on the link to review the UC Davis Code of Academic Conduct: [Code's web page](#).

# Course Schedule

## Important Notes

- In textbook readings, ignore any text references to journal entries and t-accounts. Journal entries and t-accounts will not be used in this course; instead, we will use the FSET to record transactions.
- Solutions to Practice problems are provided in Canvas.
- Homework solutions are to be submitted 24 hours before the following class via Canvas.

## Session 1 (Jan 3): Introduction

- Pre-lecture: Read Chapter 1 and Appendix 1A
- Practice problems (solutions provided): 1-37, 1-41, 1-44

## Session 2 (Jan 3): Financial Statements

- Pre-lecture: Read Chapter 2 (exclude pages 62–70)
- Practice problems (solutions provided): 2-47, 2-57, 2-66, 2-67

## Session 3 (Jan 17): Financial Statements, Continued

- Pre-lecture:
  - Reread Chapter 2, pages 60 to the top of 62
  - Read Chapter 3 (exclude pages 119 to the top of page 120 and pages 122–124)
- Practice problems (solutions provided): 3-25

## Session 4 (Jan 17): Financial Statements, Continued, and Revenue Recognition

- Pre-lecture:
  - Reread Chapter 3, pages 110–128 (exclude bottom of page 122 to page 124)
  - Read Chapter 6, pages 270–283
- Practice problems (solutions provided): 3-32 Part A, 3-35 Part A, 3-36, 6-15, 6-24

## Session 5 (Jan 31): Quiz (60 minutes), Receivables

- Pre-lecture: Read Chapter 6
- Practice problems (solutions provided): 6-27, 6-34 (for Part C, use FSET), 6-37 Parts A and B

### **Session 6 (Jan 31): Inventory**

- Pre-lecture: Read Chapter 7 and Appendix 7A
- Practice problems (solutions provided): 7-27, 7-30, 7-34

### **Session 7 (Nov 14): Long-Term Assets**

- Pre-lecture: Read Chapter 8
- Practice problems (solutions provided): 8-22 (for Part C, use FSET), 8-28, 8-32, 8-35

### **Session 8 (Feb 14): Liabilities**

- Pre-lecture:
  - Read Chapter 9
  - Read Chapter 10, pages 464–476
- Practice problems (solutions provided): 9-44 Part C, 9-45 Part D, 9-46 Part D, 9-56 Parts A and D, 10-14 Part D (present value of lease payments = 123,100)
- 9-42 (optional),

### **Session 9 (Feb 28): Cash Flows**

- Pre-lecture: Read Chapter 4
- Practice problems (solutions provided): M4-23, M4-28, E4-36, E4-39, E4-41, E4-42, E4-43

### **Session 10 (Feb 28): Analyzing Financial Statements**

- Pre-lecture:
  - Read Chapter 5
  - Read “A Global Perspective” on pages 20–21
- Practice problems (solutions provided): 5-19, 5-20, 5-38, 5-39

### **Session 11 (Mar 13): Final Exam**