

BA 1401 / BAS 142 – FINANCIAL ACCOUNTING

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| Office Hours: | Tuesdays 14:30-15:30 (online and by appointment) |
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| Course Web Page: | ODTUClass Course Page (please check ODTUClass and your METU email accounts regularly for the course materials, announcements and any updates). |

Course Description:

This course will provide students with a solid foundation in becoming a manager by giving them a fundamental understanding of financial accounting theory and practice. Students will be provided the basic tools and methods they required from the field of Financial Accounting. Accounting is the “Language of Business” and is used by all businesspeople regardless of their positions. Accounting allows for communication between different parts of a company, as well as, between companies and even throughout the economy. It is at the center of an efficiently functioning economy, as it helps decision makers allocate scarce resources. The aim of this course is not to make you an expert in the entire field of accounting, or even in the entire field of financial accounting. However, this course will provide students with a solid foundation for their career by giving them a fundamental understanding of accounting theory and practice. Students planning to pursue careers in accounting and finance will need to take further courses in this area. However, those students pursuing other areas of education will have been provided the basic tools they require from the field of Financial Accounting. The objective of the course is to provide the students fundamentals of financial accounting and reporting. This course focuses on preparing and communicating financial statements of profit-oriented organizations in accordance with the principles of financial accounting. Based on an understanding of the nature of business transactions and events, methods involved in accounting and reporting for the business transactions and events shall be presented. An understanding and interpreting the financial statements as potential external users of the financial information shall be developed. Following completion of the accounting cycle, the methods and procedures for recognition, de-recognition, measurement, analysis and reporting of major items of the financial statements will be presented.

Course Student Learning Objectives: (CSLOs)

Upon successful completion of this course, students should be able to:

Course Specific Skills:

1. Understand and record business transactions.
2. Know how to prepare and communicate financial statements to users.
3. Familiarize with the accounting terminology that will be needed in the business world.

Discipline Specific Skills:

4. Understand the significant role of organizations within economies.
5. Understand the role of managers within organizations and the information they need to make decisions.
6. Understand the role of investors & creditors and the information they need to make decisions.

Personal and Key Skills:

7. Develop problem solving skills.

Learning and Teaching Methods:

Traditional lectures.

Required/Suggested Reading:

- Principles of Financial Accounting Based on IFRS 5e, Şımga-Muğan, Hoşal-Akman, McGraw-Hill, 2012.

- Financial Accounting IFRS Edition. Weygandt, Kimmel and Kieso, John Wiley and Sons, Inc.

(Most subjects are quite similar; however, you will be responsible for keeping track of any differences between different editions of the above sources.)

Tentative Assessment and Grading:

| Form of Assessment | % Contribution | CSLOs covered by the assessment | Feedback Method |
|--------------------|----------------|---------------------------------|-----------------|
| Midterm Exam 1 | 30 | 1-7 | Written |
| Midterm Exam 2 | 30 | 1-7 | Written |
| Final Exam | 40 | 1-7 | Written |

Course Policies:

No "extra" work above the aforementioned will be accepted or credited. Incompletes: A grade of incomplete will not be granted except for the most extreme circumstances and only after stringent verification and approval by the Department. A grade of incomplete will be granted only as a result of circumstances beyond the student's control. A grade of "I" is not given in lieu of an "FF".

The students are expected to come to class prepared and ready to take part in class discussions.

Therefore, attendance is strongly recommended in this class. At least 70% attendance is mandatory.

Past experience repeatedly demonstrated that students who regularly attend class perform significantly better than students who have an intermittent attendance. Exams: There will be two midterms and a final examination to evaluate the student's course performance. The questions will be designed to assess the students' knowledge of the course content and their critical thinking abilities.

STUDENT DISABILITIES: Any student, who, because of a disabling condition, may require special arrangements in order to meet course requirements, should contact the instructor as soon as possible. Students should present the appropriate documentation from the university's Disability Support Office (Engelsiz ODTÜ Birimi, ODTÜ Kütüphanesi, Solmaz İzdemir Salonu, Tel: 210.7196; engelsiz@metu.edu.tr) verifying their disability, and outlining the special arrangements required. Please note that no accommodations will be provided to the disabled students prior to the completion of this approved University process.

ACADEMIC DISHONESTY: The Department of Business Administration has no tolerance for acts of academic dishonesty. Such acts damage the reputation of METU, the department and the BA/MBA/MS degree and demean the honest efforts of the majority of the students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam.

CHEATING: All university, faculty/institute, and department principles on academic honesty will be strictly enforced. The usual consequence for academic dishonesty is failure of the course and referral of the case to the Dean of the Faculty/Institute for additional disciplinary action. Examinations are individual and are to be completed without outside assistance of any sort. Persons observed cheating during examinations will receive a failing grade in the course. Homework assignments are individual, unless otherwise specified

by the instructor, and are to be completed without outside assistance of any sort, as well. Persons observed cheating in their homework assignments will receive a score of zero for the portion of the semester grade that is allocated to such assignments.

PLAGIARISM: The instructor assumes that students will do their own work. By placing their names on assignments (individual or team), students are affirming that the contents are their original work. Any previous work available from files or past students, as well as materials available on the internet may be used only as a suggestive model. Violation of this provision will be considered as unethical behavior, subject to disciplinary action. If you have any doubt about the use of a specific material, see the instructor ahead of time. Any material used from outside sources should be referenced appropriately.

METU HONOR CODE

Every member of METU community adopts the following honor code as one of the core principles of academic life and strives to develop an academic environment where continuous adherence to this code is promoted.

"The members of the METU community are reliable, responsible and honorable people who embrace only the success and recognition they deserve, and act with integrity in their use, evaluation and presentation of facts, data and documents."

CIVILITY IN THE CLASSROOM: Students are expected to assist in maintaining a classroom environment which is conducive to learning. In order to assure that all students have an opportunity to gain from time spent in class, students are prohibited from making offensive remarks, reading newspapers, sleeping, or engaging in any other form of distraction. Inappropriate behavior in classroom shall result, minimally, in a request to leave class.

Past observations showed that the METU classroom experience is improved when the following are true:

Students arrive on time. Timely arrival ensures that classes are able to start and finish at the scheduled times. Timely arrival shows respect for both fellow students and faculty and it helps to create a better learning environment by reducing avoidable distractions.

Students are fully prepared for each class. Much of the learning in this course takes place during classroom discussions. When students are not prepared, they cannot contribute to the learning process. This affects not only the individual but also the classmates who count on them.

Students respect the views and opinions of their colleagues. Disagreement and debate are encouraged; however, intolerance for the views of others is unacceptable.

STUDENT EXCUSES: In case you cannot attend one of the examinations, **if and only if you can present an official (dean's or president's office approved) excuse or METU Medical Center certified Health Report, you will be eligible to take a make-up examination.** There will be one single, comprehensive make-up examination during the final period and it will be counted towards whichever exam(s) you are missing.

KNOW YOUR RIGHTS AND RESPONSIBILITIES! <http://oidb.metu.edu.tr/en/academic-rules-and-regulations>

NOTE THE IMPORTANT DATES ON THE ACADEMIC CALENDAR!

<http://oidb.metu.edu.tr/en/academiccalendar>

The instructor assumes that students who attend the next class have understood and accepted to agree with all the requirements and rules of this course.

The following table gives the tentative schedule for the semester. The lectures will stress the most important material.

| Tentative Course Schedule | | | |
|---------------------------|--|---------------------------------------|------|
| Date | Topic | Reading (Şimga-Muğan, Hoşal-Akman) | CSLO |
| Week 1 | Business Activities and the Role of Accounting | Chp 1 | 1-7 |
| Week 2 | Accounting Cycle | Chp 2 | 1-7 |
| Week 3 | Completing the Accounting Cycle | Chp 3 | 1-7 |
| Week 4 | Merchandise Transactions | Chp 4 | 1-7 |
| Week 5 | Inventories | Chp 5 | 1-7 |
| Week 6 | Inventories (Cont'd) Midterm Exam 1 | Chp 5 | 1-7 |
| Week 7 | Financial Statements | Chp 6 | 1-7 |
| Week 8 | Current Assets | Chp 7 | 1-7 |
| Week 9 | Current Liabilities Investments | Chp 8 Chp 9 | 1-7 |
| Week 10 | Investments (Cont'd) Midterm Exam 2 | Chp 9 | 1-7 |
| Week 11 | Measures of Operating Capacity | Chp 10 | 1-7 |
| Week 12 | Long-term Liabilities | Chp 11 | 1-7 |
| Week 13 | Shareholders' Equity | Chp 12 | 1-7 |
| Week 14 | Statement of Cash Flows | Chp 13 | 1-7 |
| | Final Exam | | 1-7 |