

**MIDDLE EAST TECHNICAL UNIVERSITY**  
**Department of Business Administration**  
**BA1401 – Financial Accounting**  
**Fall 2021-2022**

**CAN ÖZTÜRK**

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**Office Hours** : Wednesday at 10.35 – 11.35 or by appointment

**COURSE PREREQUISITES:**

There is no prerequisite to BA1401-Financial Accounting. It is an introductory course to financial accounting.

**COURSE CREDIT:** 3 credits.

**CLASS DAYS & HOURS** : Monday 08.40 – 10.15 & Wednesday 08.40 – 10.15

**LOCATION OF THE CLASS:** Lecture and office hour is online on METU-Class (Zoom)

**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 both internationally and in Turkey. Students will be provided the basic tools and methods they required from the field of Financial Accounting.

**COURSE OBJECTIVES:**

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.

**LEARNING & TEACHING:** Financial Accounting is best studied by (1) attending the lectures regularly, (2) reading the course material before the lectures and (3) working on the assignments and more of the problems in the book in the same day of lectures regularly, (4) Asking your questions during the lecture without hesitation and postponing your question. The success in this course is to do the homework. This is one course where doing is learning. The more time you spend on the homework assignments – using the various tools that the textbook provides – the more likely you are to learn the essential concepts, techniques, and methods of accounting.

**LEARNING OUTCOMES:**

Upon successful completion of this course, you should be:

- familiar with the basic concepts of accounting and its terminology,
- familiar with the accounting cycle and able to prepare financial statements,
- able to understand and interpret financial statements,

- able to identify major asset, liability, equity, income and expense items and explain how they are accounted for, measured and reported in accordance with IFRS and Turkish Tax Laws where they differ from IFRS.
- able to use the financial statements and financial information to manage and evaluate the results of business operations.

**TENTATIVE CLASS SCHEDULE (subject to change)**

	<b>Date</b>	<b>Reading</b>	<b>Subject</b>	<b>Exercises</b>
1	Oct 18-20	Ch. 1	Accounting in Action	E1-11, E1-13, P1-1A, P1-4B
2	Oct 25-27	Ch. 2	The Recording Process	E 2-10, E2-12, P2-3A, P2-1B, P2-4B
3	Nov 1-3	Ch. 3	Adjusting the Accounts	E3-4, E3-13, E3-15, P3-2A, P3-5B
4	Nov 8-10	Ch. 4	Completing the Accounting Cycle	E4-7, E4-13, P4-4A, P4-5B
			<b>Midterm I (Chapters 1 - 4)</b>	
5	Nov 15-17	Ch. 5	Accounting for Merchandising Operations	E5-7, E5-11, E5-13, E5-20, P5-5A, P5-2B
6	Nov 22-24	Ch. 6	Inventories	E6-6, E6-8, E6-10, E6-11, E6-17, P6-1A, P6-3A, P6-3B
7	Nov 29 - Dec 1	Ch. 7	Fraud, Internal Control, and Cash	E7-2, E7-6, E7-7, E7-14
8	Dec 6-8	Ch. 8	Accounting for Receivables	E8-8, E8-11, E8-13, E8-14, P8-1A, P8-5A, P8-7A
9	Dec 13-15	Ch. 9	Plant Assets, Natural Resources, and Intangible Assets	E9-5, E9-9, E9-11, E9-14, E9-15, P9-3A, P9-7A, P9-5B
			<b>Midterm II (Chapters 5 - 9)</b>	
10	Dec 20-22	Ch. 10	Liabilities	E10-2, E10-7, E10-13, E10-17, P10-2A, P10-10A, P10-4B
11	Dec 27 – Dec 29	Ch. 11	Corporations: Organization, Share Transactions, Dividends, and Retained Earnings	E11-3, E11-5, E11-7, E11-11, E11-18, E11-21, P11-5A, P11-8A, P11-2B,
12	Jan 3-5	Ch. 12	Investments	E12-5, E12-7, E12-12, P12-2A, P12-6A, P12-4B
13	Jan 10-12	Ch. 13	Statement of Cash Flows	E13-4, E13-7, E13-8, P13-3A, P13-7A, P13-2B
14	Jan 17-19	Ch. 14	Financial Statement Analysis	E14-3, E14-6, E14-9, E14-10, P14-3, P14-4, P14-5
			<b>Final Exam (Comprehensive)</b>	

**Reading Material:**

**Required Text Book:** Financial Accounting IFRS Edition, 2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> Ed., Jerry J. Weygandt, Paul D. Kimmel, Donald E. Kieso, John Wiley and Sons, Inc., ISBN-13: 978-1-118-28590-9, 2013.

Web: <http://bcs.wiley.com/he-bcs/Books?action=index&itemId=1118978080&bcsId=9784>

**GRADE DETERMINATION:**

The following will be used to assess the learning outcomes:

1. **In class participation:** Attendance by itself is necessary to learn accounting. You are expected to be a part of teaching and learning process. It will not be graded under COVID-19.
2. **Exercises:** The exercises help you to be ready for the exams. They are not going to be collected by the instructor. If you have any questions regarding these exercises, you are welcome during the office hours.
3. **Midterm and Final Examinations:** There will be two midterms and a final examination to evaluate the student's course performance. The examinations will be composed of multiple-choice questions. The questions will be designed to assess the students' knowledge of the course content and their *critical thinking* abilities.
4. There will be **no make-ups** for the exams, if you have a time conflict or you are sick, contact the instructor ahead of time. Do not forget to submit a copy of the document (health report, etc.) to the instructor within three days following the date of the exam missed.

**Point Distribution**

Midterm I	30%
Midterm II	30%
Final	40%
	100%

Percentage	Letter Grade	Percentage	Letter Grade
90 - 100	AA	65 - 69	DC
85 - 89	BA	60 - 64	DD
80 - 84	BB	50 - 59	FD
75 - 79	CB	49 below	FF
70 - 74	CC		

**CLASSROOM REQUIREMENTS:**

- The students are expected to attend the lectures regularly. Each one of the chapters is built on the previous ones. If you miss a lecture you will have difficulties in following the next lecture.
- The students are encouraged to orient themselves “to learn” the material, not to study “to get a certain point” from the exams.
- Please keep your mobile phones switched off during the lecture.
- Please do not enter late and do not leave the room without permission during the lecture.
- Respect the rights of the others as you would expect to be respected by them.

**KNOW YOUR RIGHTS AND RESPONSIBILITIES**

It is strongly suggested that each one of the students read and understand the University regulation at <http://oidb.metu.edu.tr/en/middle-east-technical-university-rules-and-regulations-governing-undergraduate-studies>

**ACADEMIC HONESTY:**

**Cheating:** All university, faculty, and department principles on academic honesty will be strictly enforced.

The usual consequence for academic dishonesty is failure in the course and additional disciplinary action.

Examinations are individual and are to be completed without unauthorized outside assistance. Persons observed cheating during examinations will automatically receive a failing grade in the course. Homework assignments are individual, unless otherwise specified by the instructor, and are to be completed without unauthorized outside assistance 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. In addition to the consequences above, the instructor will initiate disciplinary action against the student(s) involved in academic dishonesty.

**Plagiarism:** The instructor assumes that students will do their own work. By placing their names (individual or team) on assignments, students are affirming that the contents are their original work. Ideas should be stated in the student's own wording. 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.

**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 using cellular phones or beepers, eating or drinking in class, arriving late or leaving early without prior permission, or engaging in any other form of distraction. Inappropriate behavior in classroom shall result in, minimally, a request to leave class.

**Examination Rules:** Students must present a valid METU Student ID before they can be allowed into the examination rooms. Those students who cannot present this ID will not be allowed into the examination room under any circumstances. Cellular phones must be turned off and stowed away during the examinations. Students whose phones are observed to be turned on and/or not stowed away will receive a score of zero for the examination.