



QUINLAN
SCHOOL of BUSINESS

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ACCOUNTING 400 ONLINE
FINANCIAL ACCOUNTING FOR BUSINESS DECISIONS
Spring Quarter 2019, Mondays ONLINE

Note: You will need to download Zoom to your computer, update your profile, and test your computer before our first class. Instructions are available at:
<https://www.luc.edu/itrs/teachingwithtechnology/zoom/zoomparticipantsupportinstructions/#d.en.435710>

Catalog Description

This course is an introduction to the accounting function that is used to measure and communicate business transactions. The focus is on understanding financial information to facilitate better decisions.

Outcome: Students will be able to identify the impact of business transactions on the basic financial statements: the income statement, the statement of financial position, the cash flow statement, and the statement of changes in owners' equity. Students will also be able to demonstrate an understanding of the financial statements and their implications on various business decisions.

Course Overview

This course is for business managers and investors, not accountants. We will spend time on each topic proportionate to its benefit for users of financial statement information. We are going to learn how access, appraise, and apply relevant financial information to evaluate a company's performance.

Course Objectives and Learning Outcomes

1. Identify the impact of business transactions on the basic financial statements: the income statement, the statement of financial position, the cash flow statement, and the statement of changes in owners' equity
2. Demonstrate an understanding of the financial statements and their implications for various business decisions
3. Analyze an annual report 10-K to assess the performance of an entity in the key areas of business performance, financial condition, return on investment, and management efficiency

4. Communicate the results of the financial analysis in a clear and logical manner that demonstrates an understanding of the issues and their implications
5. Understand the ethical obligations of responsible business leaders to manage resources, to report the financial results of their operations, and to apply ethical principles to financial business practices of their organization

Required Materials

1. Financial Accounting, 9th ed., Libby, Libby & Hodge, McGraw-Hill/Irwin, 2017
ISBN 978-1-259-22213-9
2. Introduction to the Corporate Annual Report: A Business Application with IFRS Content, 5th ed., Stanko & Zeller [SZ]
3. Other class materials available on Sakai

Course Requirements and Grading Criteria

First exam	35 points
Second exam	35 points
Annual report project	25 points
Online discussion of your project and the project experience	5 points

Your final course grade will be the sum of the points earned.

Grading Cutoffs:

A	93.00	C+	77.00
A-	90.00	C	73.00
B+	87.00	C-	70.00
B	83.00	D+	67.00
B-	80.00	D	60.00

Class Meetings

Our meetings will consist of synchronous and asynchronous Zoom sessions. Each week from 6:00 PM to 7:00 PM, we will meet online in a Zoom meeting room to frame our discussions for the week and to answer any questions about the previous topics. Recorded lectures of our discussion topics will be posted each week on Sakai and these may be accessed at your convenience.

Zoom

Please follow the Zoom Participant Support Instructions at:

<https://www.luc.edu/itrs/teachingwithtechnology/zoom/zoomparticipantsupportinstructions/#d.en.435710>.

You will need to download Zoom to your computer, update your profile, and test your computer before our first class.

Equipment Needed

Loyola's Instructional Technology Department recommends the Logitech H390 wired headset (about \$20 on Amazon) for participating in Zoom meetings.

Exams

Exams will consist of problems similar to those we discuss together in class. Exams must be submitted in Microsoft Word and then uploaded to Sakai. If you have used Excel for your solution, please imbed relevant Excel cells into the Word document.

Annual Report Project

You will apply your accounting knowledge to analyze a company of your choosing. The company must be a publicly-traded U.S. corporation that files an annual report 10-K with the Securities and Exchange Commission. The Stanko Zeller booklet guides you in this analysis and is largely self-explanatory. We will have ample time to discuss any questions in class. **Note:** you must complete the project template that is posted on Sakai rather than the template available online from the Stanko Zeller publisher.

Grading criteria for the project include the ability to identify and organize required accounting information, clarity of the analysis, and reasonability of conclusions. SZ is available in the LUC Bookstore and online at <http://www.appliedaccountinganalytics.com/>

Written summary of your project experience

Write a few paragraphs (Word document) describing the issues you encountered/ discovered doing your project (interesting information, difficult parts, most useful and least useful ratios for analysis, clarity of the 10-K, etc.). This document may be shared with the class, so even though it will be short, make it professional.

Email Communications

When communicating via email, I will be writing to your Loyola email account. Please use that account for our correspondences in this course.

Quinlan School of Business Policies

Attendance

Class attendance and participation are fundamental components of learning, so punctual attendance at all classes, for the full class meeting period, is expected of Quinlan students. Faculty may set participation policies unique to their courses and use class participation as a component of the final grade. The student is responsible for any assignments or requirements missed during an absence.

Academic Integrity

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood...Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of "F" for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website: <https://luc.edu/media/lucedu/quinlan-graduate/pdfs/Honor-Code-Quinlan-July2012.pdf>.

Course Outline

2/25, Class 1	Financial Statements Overview and Effect of Transactions on Balance Sheet
Read in advance:	Chapters 1 and 2
In class discussion:	E1-11, P1-1, P1-2, P1-3, E2-11, P2-3, P2-4, CP1-6
For next class:	Read Chapters 3 and 4 View Guided Help (in the Additional Student Resources folder on Sakai)

3/4, No class: Spring Break

3/11, Class 2	Income Statement, Adjusting Entries and Quality of Earnings
In class discussion:	E3-10, E3-11, E3-12, P3-4, P3-5, E4-8, CP3-1, CP3-2
For next class:	Read Chapters 5 and 6 View Guided Help

3/18, Class 3	Communicating and Interpreting Accounting Information; Reporting and Interpreting Sales Revenue and Accounts Receivable
In class discussion:	E5-6, E5-14, E5-18, E6-7, E6-8, E6-15, E6-18, E6-19, E6-22
For next class:	Read Chapter 7 including Supplement A View Guided Help

3/25, Class 4	Reporting and Interpreting Cost of Goods Sold & Inventory
In class discussion:	E7-5, E7-6, E7-7, E7-14, E7-15, E7-16, CP7-5
For next class:	Complete the first exam and upload to Sakai. Read Chapters 8 and 9 View Guided Help

4/1, Class 5	Reporting and Interpreting PP&E, Intangibles, Natural Resources and Liabilities Discuss Annual Report Project Discuss exam
In class discussion:	E8-9, E9-11, P9-9
For next class:	Read Chapters 11 View Guided Help

4/8, Class 6	Reporting and Interpreting Owners' Equity and Analyzing Financial Statements
In-class discussion:	E11-4, E11-9, E11-14, E11-17, E11-22, P13-5, P13-6, P13-7, P13-9
For next class:	Read Chapter 12 View Guided Help

4/15, Class 7	Statement of Cash Flows
In class discussion:	Introductory Cash Flow Problems (Sakai), P12-1, P12-2, P12-3
For next class:	Complete the second exam and upload to Sakai. Read Appendix A, p. A-1 to A-21

4/22, Class 8	Reporting and Interpreting Investments in Other Corporations Discuss exam
In class discussion:	Appendix A: EA-1, EA-2, EA-3, EA-4, EA-7, EA-10
For next class:	Read <i>Consolidated Financial Statements</i> (on Sakai)

4/29, Class 9	Consolidated Financial Statements
In class discussion:	<i>Consolidated Financial Statements Cases</i> (on Sakai)
For next class	a) Upload to Sakai before 3:00 PM on 5/7 a few paragraphs (Word document) describing the issues you encountered/ discovered doing your project (interesting information, difficult parts, most useful and least useful ratios for analysis, clarity of the 10-K, etc.). This document may be shared with the class, so even though it will be short, make it professional. b) Upload to Sakai your completed your Annual Report Project.

5/6, Class 10	Discuss project: e.g., most interesting discovery, most difficult parts, most useful and least useful ratios for analysis, clarity of the 10-K (or lack thereof), etc.
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Please note: This class may occasionally deviate from the course outline above. The instructor reserves the right to make changes as needed to the course syllabus.