COURSE INFORMATION

Course Number: 871
Course Title: Financial Reporting
Term and Year: Spring 1, 2016
Section 1: T, Th 10:10 AM - 11:30 AM (2400)
Section 2: T, Th 1:00 PM - 2:20 PM (2400)

CONTACT INFORMATION

<table>
<thead>
<tr>
<th>Professor</th>
<th>TAs</th>
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<tbody>
<tr>
<td>Name: Alina Lerman</td>
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<td>Office Location: #3526</td>
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<td>E-mail Address: <a href="mailto:alina.lerman@yale.edu">alina.lerman@yale.edu</a></td>
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<td>Office Hours: Thursday 3 – 4:30 and by appt</td>
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<td>Name 1: Clark Chami</td>
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<td>Name 2: Caroline Lee</td>
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<tr>
<td>Review Sessions: TBA</td>
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TEXTBOOKS AND REQUIRED READINGS

This is the same book that you used for MGT 402 (from $100 on Amazon)

Additional materials, including lecture notes and solutions to assigned problems, will be made available on Classes*v2.

COURSE DESCRIPTION AND OBJECTIVES

Course Description and Objectives:

Financial Reporting builds on the basic accounting model and mechanics developed in MGT 402, Basics of Accounting. It considers the recording and reporting of various transactions and events under GAAP. The goal will be to recognize the underlying economics of the transaction, then understand the relevant accounting rules and the resulting reporting in the financial statements.

We will utilize the textbook, instructor-prepared slides and hypotheticals and examples of actual firm reporting to examine specifics of various transactions and to demonstrate how the financial statements relate to one another. The class sessions will be conducted under the assumption that you have completed the assigned readings prior to the class. The concepts will be reviewed in class, but at a faster pace and with emphasis on application.
**COURSE REQUIREMENTS AND SPECIFIC GRADING POLICY**

**Course Requirements**

<table>
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<tr>
<th>Assignment Type</th>
<th>Due Date</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Homework (8 submissions, individual)</td>
<td>as noted on schedule below</td>
<td>20 %</td>
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<tr>
<td>Scholastic Case (3 submissions, group)</td>
<td>as noted on schedule below</td>
<td>25 %</td>
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<tr>
<td>Final Examination</td>
<td>Friday, March 11, 1:00-4:00</td>
<td>50 %</td>
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<tr>
<td>Attendance and Participation</td>
<td></td>
<td>5 %</td>
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**Grades**

There are five grades at Yale SOM: High Honors, Honors, Proficient, Pass, and Fail. The grade distribution that faculty use, and the policy with respect to the reporting of grades on official transcripts, are described below.

- **HH**: High Honors. Up to top 10 percent of class. Reported on transcript.
- **H**: Honors. Next 25 percent. Reported on transcript.
- **PR**: Proficient. Next 55 percent. Not reported on transcript.
- **P**: Pass. Guideline of lowest 5 percent in electives. Not reported on transcript.
- **F**: Fail. An absolute standard; no minimum requirement. Not reported on transcript.*

Once grades are officially recorded, they may not be changed except in cases in which a mathematical error has been made in computing the grade or a clerical error has been made in recording it. Students seeking correction to a grading error must contact the instructor within two weeks (ten working days) from the receipt of the grade. If a student takes a course in another school at Yale, the SOM registrar will ask the instructor to submit the grade according to the SOM grade scale.

* Elective courses with F grades are not reflected on the official transcript. Students must replace failed electives with other electives to meet total credit requirements for graduation.

**DESCRIPTIONS OF ASSIGNMENTS/PROJECTS**

**Homework**: unless stated otherwise, has to be uploaded to Classes*v2 by 10:10am on the date that it is due. You can collaborate in your work but I expect everybody to submit their individual homework into the site. The assignments will be graded Satisfactory (2 pts), Partial (1 pts), or not-handed in (0 pts). A score of 2 will be given with evidence that you made significant effort to complete all problems. Late homework will not be accepted. We will not go over the homework in class but solutions will be posted promptly.

**Case**: is to be worked on in groups of 3 people and the parts are to be submitted (by one group member only) to Classes*v2 by 10:10am on the date that it is due. Teams can be formed by students in different sections. All the details regarding the grading are on the cover page of the case. Late submissions will not be accepted. The solutions will be posted promptly and we will partially review them in class.

**Final Examination**: will be held during finals week and is an individual exercise. You will be allowed access to your textbook and all printed/written materials but not to your laptop. You are expected to take the exam at the scheduled time.
Class Conduct and Miscellaneous Policies

Academic Integrity and Honor Code:
Your conduct must be in accordance to the Yale SOM Honor Code. Please review it:
http://www.yale.edu/printer/bulletin/htmlfiles/som/rights-and-responsibilities-of-students.html

Attendance:
Please bring your name card to class every day.
Please come to class on time. Late arrivals (and early departures) disrupt the class.
Please try to attend the class during the session time for which you are enrolled.

Laptop/Device Policy
Laptops and other electronic devices are not allowed during class time. Copies of slides will be printed out by the instructor and available in the beginning of each class.
# DETAILED OUTLINE OF CLASS SESSIONS

<table>
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<tr>
<th>Weeks</th>
<th>Topics &amp; Assigned Readings</th>
<th>Assignments Due</th>
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| 1. Tuesday, Jan 26     | **Revenues**  
Chapter 6 (to page 277)                                                                 |                                                      |
| 2. Thursday, Jan 28    | **Accounts Receivable**  
Chapter 6 (from page 277)                                                                    | HW1: M6-15, E6-29a (also do installment), E6-39b     |
| 3. Tuesday, Feb 2      | **Inventory**  
Chapter 7 (to page 331)                                                                    | HW2: M6-21, E6-33ab                                  |
| 4. Thursday, Feb 4     | **Inventory**  
Chapter 7 (from page 331)                                                                    | HW3: E7-26                                           |
| 5. Tuesday, Feb 9      | **Review of Parts 1 and 2 of Case Long Term Assets**  
Chapter 8 (to page 373)                                                                    | Parts 1 and 2 of Case                                |
| 6. Thursday, Feb 11    | **Long Term Assets**  
Chapter 8 (from page 373)                                                                    | HW4: Q7-11A, Q7-12A, E7-29                          |
| 7. Tuesday, Feb 16     | **Long Term Assets (finish up Intangibles) Current Liabilities**  
Chapter 9 (to page 416)                                                                    | HW5: M8-19ab, E8-24, E8-27 (a, c-straight line), optional: E8-35abc |
| 8. Thursday, Feb 18    | **Long Term Liabilities**  
Chapter 9 (from page 416)                                                                    |                                                      |
| 9. Tuesday, Feb 23     | **Review of Parts 3, 4 and 5 of Case Continuing Long Term Liabilities**  
Chapter 10 (to page 466)                                                                   | Parts 3, 4 and 5 of Case                             |
| 10. Thursday, Feb 25   | **Leases**  
Chapter 10 (to page 466)                                                                    | HW6: M9-27a(transactions on 1/1/08 and 1/1/14), E9-40, E9-45ab |
| 11. Tuesday, Mar 1     | **Pensions and Income Taxes**  
Chapter 10 (from page 466)                                                                    | HW7: M10-12a                                        |
| 12. Thursday, Mar 3    | **Stockholders’ Equity**  
Chapter 11                                                                                   | HW8: P10-38ad, P10-41abc                            |
| 13. Tuesday, Mar 8     | **Review of Parts 6, 7 and 8 of Case Investments (not covered on the exam)**  
Chapter 12 (to page 568)                                                                   | Parts 6, 7 and 8 of Case optional: M11-37a-e, E11-39a, M12-12 |

**Optional Review-Q/A Session - Sunday, March 6, 2pm-4pm**

**FINAL EXAM: Friday, March 11, 1:00-4:00**

The instructor reserves the right to modify and/or change the course syllabus as needed during the course.