PROFESSOR: John Briginshaw

COURSE NUMBER: BSM 472.43

COURSE NAME: Accounting

TRIMESTER/YEAR: Fall 2005

DAY OF CLASS: Wednesdays

CLASS TIMES: 6pm – 10pm

UNIVERSITY CENTER: Irvine Graduate Campus

SYLLABUS
Day/Class time: Wednesdays, 6pm – 10pm  
Location: Irvine Graduate Campus

Professor’s Name: John Briginshaw  
Office address: 6100 Center Drive Ste. 450, Los Angeles, CA 90045  
Office Phone #: (310) 568-5551  
E-mail address: firstname.surname@pepperdine.edu  
Fax #: 310-568-2303  
Office Hours: 5pm – 6pm Wednesday at OCC, also via email, phone etc.

Course Description

This is a course which introduces the two main areas of accounting, financial and managerial accounting.

Financial accounting is concerned with the reporting of corporate performance and profitability to external audiences, principally equity investors. The reports assist investors in their decisions of portfolio allocation between stocks. We will study in detail how these reports are built up and we will also gain some experience in the analysis of company reports. Reporting of assets, liabilities and stockholders’ equity is covered, together with an introduction to the form and function of the four main statements which form a company’s annual report: the income statement, the balance sheet, the statement of cash flows and the statement of stockholders’ equity. Accounting for merchandising operations will also be discussed.

Managerial accounting is concerned with the reporting of the firm’s performance to the audiences internal to the corporation, to facilitate decision making by management on how the firm is run, for example, in terms of resource allocation decisions between parts of the firm. Managerial accounting encompasses the reporting of profitability of segments of the firm and reporting of the profitability of individual products. Accounting for costs is a major area in managerial accounting. We will study various methods of costing, such as accounting for manufacturing costs, activity based costing and variable costing. Cost behavior and break-even production levels are also considered.

Course Objectives

1. To allow students to gain understanding of key concepts in financial and managerial accounting
2. To give students the confidence to discuss accounting issues in the workplace setting
3. To allow students to grow academically and professionally by independent study, group work and by classroom interactions with the professor and other students
4. To give students a firm grounding in accounting terminology for future study in accounting, if desired
Textbook (required)

"Financial and Managerial Accounting"
Authors: Needles, Belverd E.; Powers, Marian; Crosson, Susan
7th edition (2005)
ISBN: 0618393625
Publisher: Houghton Mifflin

Grading (Summary)

Overall course grades will be based on:

<table>
<thead>
<tr>
<th>Grading Component</th>
<th>Percentage</th>
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<tr>
<td>Mini-test in week 4</td>
<td>10%</td>
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<tr>
<td>Midterm in week 9</td>
<td>25%</td>
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<tr>
<td>Final examination in week 15</td>
<td>35%</td>
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<tr>
<td>Homework</td>
<td>10%</td>
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<tr>
<td>Project due in week 13</td>
<td>10%</td>
</tr>
<tr>
<td>Class Participation</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
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</tbody>
</table>

Letter grades will be awarded based on relative performance within the class (“curve”). In accordance with accounting department policy, average GPA of the class will be between 2.7 and 3.0.

Examinations (70%)

Examinations will be closed book. All examinations will begin at 6pm on the appropriate day. Multiple choice questions will be answered on scantron forms. Please bring a green scantron form, soft pencil and eraser to class on exam days. A calculator which is not capable of storing text may also be used.

The mini-test will consist of multiple choice questions only and will last for one hour and twenty minutes. The midterm will consist of multiple choice questions and possibly some written problems, and will last for three hours. The final exam will consist of both multiple choice and written problems, and will last three hours. There will be no breaks in the examinations, and in recognition of this students will be released at the close of the midterm and final examinations (but not the mini-test). All examinations will be “comprehensive” (i.e. questions on the examinations may refer to any course topic covered up to that point, even if that topic has already been covered in a previous exam), but with an emphasis on the course work which most immediately precedes the exam.

You should expect examinations to be slightly more challenging than those in other classes, even though the material we are studying is not intended to be a higher level. Since I grade on a curve, this gives me the freedom to set examinations which give a wider distribution of percentage marks, which I believe increases the fairness of final letter grades. For example, a good student will not drop from an A to a B+ just because he or she is careless and misses one or two questions. The distribution of final letter grades, however, will be the same as for other BSM 472 classes.
Make-up Exam Policy

Make-up exams without penalty are offered in the event of serious illness requiring unscheduled overnight hospitalization of the student, spouse or children, or in the event of death in the immediate family (defined as spouse, children or parents) or other similar reasons. Supporting documentation (e.g. doctor’s letter) will be required. At the professor’s discretion, make-up for examinations may consist of non-exam assignments or may be delayed until a future trimester, which will result in a delay of the awarded grade. Make-ups are not offered for group work, unless the entire group experiences the problems listed above.

Make-up exams or assignments for other reasons are not normally offered, and are not offered at all for the final examination, for homework or for group work of any kind. In the event of the professor granting a make-up for an examination for other reasons than illness requiring unscheduled hospitalization or death, the maximum percentage grade on the makeup will be 50% of the normally available grade (half marks).

Homework (10%)

For accounting, there is really no other way to learn than to work the problems yourself. Please hand in a photocopy of your homework at the beginning of the class so that I can take a look at how you have done – you can then mark up your own copy in class and when looking at the solutions (which will be published on the web). Since we will go over some of the problems in class, no late homework will be accepted. The only exception to this is homework 1 (chapters 1 & 2) - please hand this in together with homework 2 at the start of the second class. In the event you are unable to attend class, please post the assignment to Pepperdine University, 6100 Center Drive, Los Angeles, CA 90045 for my attention or fax it to 310-568-2303. The homework will be considered on time if the postmark or fax time is on or before the due date. Homework via email are not accepted.

Homework will be graded on the following simple scale: 0/2 – no homework handed in or late, 1/2 – only part of the homework attempted, 2/2 – all parts of the homework attempted. There is no premium for perfect work, so do not be afraid to experiment and “have a go” even if you are not sure of the method.

However, homework must be your own work. Copying is strongly discouraged and, if detected, will open you to University sanctions as discussed on the last page, as well as getting an “F” grade in the course. Even if copying is not detected, copiers will be in for a shock at exam time - without prior practice they will have no clue what to do.
Project (10%)

10% of the grade will be a group project in which you carry out a financial analysis of a company of your choice. The company must be quoted on the NYSE or NASDAQ. This project should be carried out in groups of between 3 and 5. Groups of other sizes or individual persons doing a project will receive a maximum grade of 5% out of the available 10%. The project will consist of producing a 6-8 page report (page count includes tables and exhibits) and a 15 minute presentation analyzing the financial performance (past 5 years) and accounting policies of the company your group has selected, and comparing it with at least two other competitor companies. The project will be due at the start of class on 23rd November, at which presentations will also be given. Feedback on your group’s project is available if you hand in a draft on or before 9th November.

The project will be graded based on assessment of the following items:-

- Write-up clarity and appearance (double weighting)
- Choice of competitor companies and discussion in the write-up
- Analysis of accounting policies of company and comparison of accounting policies to competitors in the write-up
- Analysis of financial performance of company and comparison to competitors’ performance in the write-up (double weighting)
- Quality and content of oral presentation (double weighting)
- Ability to answer questions during the oral presentation

Assistance on analyzing the company’s financial performance is found in Chapters 5, 7 and 28 of the textbook. Analysis of accounting policies will require integrating the understanding from all of the first section of the course (financial analysis).

Class Participation (10%)

Attendance is necessary but not sufficient for gaining class participation points. Maximum points will be gained for regular helpful comments and input, for assisting colleagues in their learning and helping move the class forward. A passing grade will require responsiveness to instructor questions and some unprompted comments and input. Staying quiet all trimester will result in a low grade!

Attendance Policy

Attendance at all class meetings is expected. Failure to attend may cause a loss of class participation points, missing homework hints and other useful information.

Communication

Please regularly check your Pepperdine email account and also the eRoom.
Evaluation Process

Course evaluations are done electronically through eRooms. Evaluations are “loaded” in the eRooms approximately two weeks prior to the end of the term.

Each student enrolled in a course has one opportunity to access the course evaluation (located in the eRoom and identified by an icon) using their student identification number. However, the data is stored using a sequence number. This process affords confidentiality to the student submitting the evaluation.

The student will be notified via the eRoom when the course evaluation is available depending on when it is activated by your professor. Access to the evaluation is achieved by clicking on the “Course Evaluation” icon and following the instructions provided. You must submit your evaluation during the time indicated by your professor.

Please take the time to complete course evaluations. The information you provide will help us to make constant progress in all we offer to our students.

Frequently Asked Questions (FAQs):

1. **Is my response confidential?** Yes, the information that you supply is logged into the data base utilizing a sequence number for the course. No names are attached to the evaluations.

2. **Can the Professor see my evaluation before my final grade?** No, once you’ve submitted your evaluation, the data is collected and stored in a data base residing outside of the eRoom. The Professor is given a report without names once the final grades for the class have been submitted. Due to the absence of “handwritten” comments, student identity remains more confidential than the paper forms that students have submitted in the past.

3. **Who do I call if I have questions or concerns?** Please contact Mary Conradt, Director of Academic Support at 310-568-5505, or mary.conradt@pepperdine.edu.
Conduct

“The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable.

The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times. Examples of improper conduct for which students are subject to discipline are as follows:

- Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University.
- Forgery, alteration, or misuse of University documents, records, or identification.
- Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties.
- Interference with the academic or administrative process of the University or any of the approved activities.
- Otherwise unprotected behavior that disrupts the classroom environment.
- Theft or damage to property.
- Violation of civil or criminal codes of local, state, or federal governments.
- Unauthorized use of or entry into University facilities.
- Violation of any stated policies or regulations governing student relationships to the University.

Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:

- **Dismissal** – separation of the student from the University on a permanent basis.
- **Suspension** – separation of the student from the University for a specified length of time.
- **Probation** – status of the student indicating that the relationship with the University is tenuous and that the student’s records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student’s privileges may accompany probation.” SEein Curren GsBM CATALOG.

POLICY ON DISABILITIES

Pepperdine University is committed to complying with all mandates set forth in Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Students with disabilities requesting accommodation should contact the University’s Disability Services Office (DSO) before their academic program begins. Upon verification of the student’s disability, the DSO will work with each student on a case-by-case basis to determine appropriate accommodations. Inquiries should be directed to Lauren Breeding, director of disability services, at 310.506.6500. For further information, visit the DSO Web site at: http://www.pepperdine.edu/disabilityservices/.
Instructor Bio

John Briginshaw graduated from the University of California, Berkeley with a Ph.D. in Accounting in 2003. He has worked in commodity trading and management consulting and has an MBA from London Business School where he graduated with Distinction. He has taught at Berkeley, London Business School, UC Davis and on several executive courses. John is the author of a book, Internet Valuation, published by Palgrave.
<table>
<thead>
<tr>
<th>Wk</th>
<th>Date</th>
<th>Topics and Chapters</th>
<th>Homework Due</th>
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<tbody>
<tr>
<td>1</td>
<td>31-Aug-05</td>
<td>Accounting and Transactions Ch 1-2</td>
<td>1-E7, 1-E14, 2-E5, 2-E10*</td>
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<td>2</td>
<td>7-Sep-05</td>
<td>Business Income and the Accounting Cycle Ch 3-4</td>
<td>3-E1, 3-E10, 4-E1, 26-SE6, 26-SE7</td>
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<td></td>
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<td>NPV Review pp. 1103-1108</td>
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<td>3</td>
<td>14-Sep-05</td>
<td>Financial Analysis Ch 5 Mini-test Review</td>
<td>1-SE7, 4-P3 (parts 1-7), 5-E3, 5-E5, 5-E10, 5-P6, 26-E9</td>
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<td>Merchandising Operations</td>
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<td>4</td>
<td>21-Sep-05</td>
<td>MINI TEST (covers Ch. 1-4 &amp; pp. 1103-1108)</td>
<td>6-SE3, 6-SE4, 6-E2, 6-E7</td>
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<td>Merchandising Operations</td>
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<td>5</td>
<td>28-Sep-05</td>
<td>Inventory and other Current Assets Ch 7-8</td>
<td>6-E8, 7-E5, 7-E6, 7-E11, 8-E3</td>
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<td>6</td>
<td>5-Oct-05</td>
<td>Current Liabilities and Long Term Assets Ch 9-10</td>
<td>7-P3, 8-E11, 9-E3, 9-E4, 10-E3, 10-E6</td>
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<td>7</td>
<td>12-Oct-05</td>
<td>Long Term Liabilities &amp; Stockholders' Equity Ch 11-12</td>
<td>9-E7, 10-E8, 11-E6, 11-E8, 12-SE3, 12-E1</td>
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<td></td>
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<td>Financial Analysis Project: Hints n Tips</td>
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<td>8</td>
<td>19-Oct-05</td>
<td>Shareholders and Cash Flow Statements Ch 13-14</td>
<td>11-E9, 12-E4, 13-SE1, 13-E3, 13-E8, 14-E1, 14-E9</td>
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<td>Midterm Review</td>
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<td>9</td>
<td>26-Oct-05</td>
<td>MIDTERM (covers Ch. 1-14 and NPV)</td>
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<td>10</td>
<td>2-Nov-05</td>
<td>Intro to Managerial Accounting Ch 15</td>
<td>15-E9, 15-P4, 16-E2, 16-E3, 16-E7, 17-E5, 17-E8</td>
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<td>Costing Ch 16-17</td>
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<td>Cost-VOLUME-Profit Analysis Ch 20</td>
<td>Financial Analysis projects (“early bird” hand-in to receive feedback on your draft)</td>
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<td>Budgeting Ch 21</td>
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<td>Performance Evaluation and Variable Costing Ch 23</td>
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<td>Capital Budgeting Ch 26</td>
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<td>13</td>
<td>23-Nov-05</td>
<td>Financial Analysis Presentations</td>
<td>Financial Analysis projects</td>
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<tr>
<td>14</td>
<td>30-Nov-05</td>
<td>Course Summary and Final Exam Review</td>
<td>26-P8, 4-P3 (parts 8-13), 6-P9, 7-P7, 10-P7, 17-P4, 20-P7</td>
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<tr>
<td>15</td>
<td>7-Dec-05</td>
<td>FINAL EXAM (covers Ch. 1-17, 19-23, 26)</td>
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* Homework 1 (chapters 1 and 2) to be handed-in at start of 2nd class, with homework 2 (chapters 3, 4 and 26).