

**ACTG 4123**  
**ADVANCED ACCOUNTING II**

SOUTHEASTERN COLLEGE – Business Department  
Spring 2005 – Instructor: Ed Plastow, Ph.D., MBA, CPA; Professor of Business  
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Office Hours: 15-20 hours per week; see posted schedule.  
Meeting Time & Place: MWF 11:00-11:50 PM – Building H-6

TEXT:

Jeter, Debra C. and Chaney, Paul K., Advanced Accounting, 2<sup>nd</sup> Edition, New York: John Wiley & Sons, Inc., 2004.

COLLEGE MISSION STATEMENT:

Southeastern, a Christ-centered college, fosters student success by integrating personal faith and higher learning. Within our loving Pentecostal community, we challenge students to prepare professionally so they can creatively serve their generation in the Spirit of Christ.

CATALOG DESCRIPTION:

This class covers the procedures related to accounting for mergers and acquisitions including a variety of issues related to the preparation of consolidated financial statements.

Prerequisite: ACTG 4113

3 Credit Hours

I. PURPOSE

Advanced Accounting II represents one of nine upper level courses that complete the accounting major; and the 6<sup>th</sup> of six progressive financial accounting courses that began with Accounting I & II, was followed by Intermediate Accounting I & II, and is completed by Advanced Accounting I & II. This course provides a base of professional knowledge in special topics of financial accounting and reporting.

II. INTENDED LEARNING OUTCOMES:

- A. Overall Objective: This course completes the survey of the more specialized topics of financial accounting and reporting for students to be more fluent overall in varying applications of financial recording.
- B. Intended Learning Outcomes: As a result of the activities in this course, the student should be able to:
  - 1. Describe advanced accounting theory related to mergers and acquisitions.
  - 2. Identify key elements in basic business combinations.
  - 3. Explain the methods of accounting for business combinations and perform the accounting for consolidated financial statements at the date of acquisition and after acquisition in subsequent years.

4. Demonstrate the ability to do allocation, depreciation, and amortization of differences between cost and book values, in addition to eliminating unrealized profits in inventory and unrealized gains or losses on sales of property, plant, and equipment.
5. Give an overview of how accounting and reporting is performed for other business combination specialized topics such as changes in ownership interest, indirect holdings, bond holdings, and miscellaneous consolidation topics and alternative concepts.

### III. TOPICS TO BE COVERED

Refer to the course outline calendar. Topics will include chapter components of:

- A. Reorganizations and Dissolutions
- B. Introduction to Business Combinations, Methods of Accounting, Consolidated Financial Statements at Acquisition and in Following Periods
- C. Allocation, Depreciation, and Amortization of Differences between Cost and Book Values; Elimination or Unrealized Profits and Gains and Losses; and Special Consolidation Subjects.

### IV. INSTRUCTIONAL PROCEDURES

Teaching/Learning Activities will include:

- A. Lecture Discussion and Presentation
- B. Overhead Solutions
- C. Group Problem Solving

### V. RESPONSIBILITIES OF STUDENTS

- A. Reading – READ the chapters of the Jeter text as assigned and walk through the examples regularly to help with the homework.
- B. Preparation – Be prepared to discuss the material and the homework problems each session. This course has been set up in a group discussion and problem-solving format.
- C. Attendance – We will basically adhere to the college policy; Attend at least 90% of the class sessions. Accountants in the real world can almost never be gone because of their importance to the organization. This is crucial to a better understanding of the material. Communicate absences with the instructor. Refer to the Evaluation section for the effect on grading.
- D. Academic Dishonesty – Any instances of academic dishonesty will result in an “F” grade on the assignment or exam involved, or an “F” grade for the course, should such an instance recur.
- E. All academic, policy, and financial holds must be removed from your student account in order to view your grades online.

### VI. EVALUATION

A. Evaluation Activities:

|                            |     |
|----------------------------|-----|
| Exams                      | 50% |
| Other Assignments/Homework | 20% |

|   |     |
|---|-----|
| Attendance (Actual %, not excused)                          | 10% |
| Quality of Participation (Generally tracks w/ exams & hmwk) | 20% |

There will be three to four sectional exams. Each sectional exam will cover about four to five weeks. Exams will be a combination of multiple choice and other problem-style questions. The final exam is Wednesday, May 4, 2005--12:00-1:50 PM. Homework assignments should be turned in on time. They will be graded down when received late. Most Chapter work builds on previous material learned.

- B. Grading Scale – Standard College Scale; Using the weighting factors noted above in the evaluation activities, overall course grades will be assigned, based on the following:
- |          |   |
|----------|---|
| 90-100   | A |
| 80- 89   | B |
| 70- 79   | C |
| 60- 69   | D |
| Below 60 | F |

#### VII. STUDENTS WITH DISABILITIES

Southeastern College is committed to the provision of reasonable accommodations for students with disabilities as defined in Section 504 of the Rehabilitation Act of 1973. Students who think they may qualify for these accommodations should notify their instructor immediately. Special services are provided through the Career and Counseling Office.

#### VIII. TENTATIVE COURSE CALENDAR

| <u>Weeks</u> | <u>Chapters</u> | <u>Subject</u>   |
|--------------|-----------------|--|
| 1 & 2        | 10              | Reorganizations and Dissolutions   |
| 3            | 1               | Introduce Business Combinations  |
| 4            | 2               | Methods of Accounting for Business Comb's; Exam #1   |
| 5 - 8        | 2-3             | Consolidated Financial Statements – Continuation of Methods of Accounting and Date of Acquisition; Exam #2 |
| 9 & 10       | 4               | Consolidated Financial Statements – After Acquisition  |
| 11 & 12      | 5               | Allocation, Depreciation, and Amortization of Differences Between Cost and Book Value; Exam #3             |
| 13 & 14      | 6-7             | Elimination of Unrealized Profits & Gains or Losses  |
| 15 & 16      | 8-9             | Special Consolidation Topics; Exam #4  |

#### IX: SELECTED BIBLIOGRAPHY

Various GAAP Guides and other materials from the AICPA and FASB are available through the college and instructor's library.