



**ACC 231 Analysis and Use of Accounting Reports  
Spring Quarter 2024**

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*Office Hours: in-person or on Zoom by appointment via email*

*Course meets: Thursday 9:00 am - 12:50 pm*

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### **Course Description**

Evaluating a company's future fundamental performance remains a formidable challenge when you operate from an external standpoint. Whether you are a prospective investor, lender, employee, customer, supplier, or business partner, your primary concern is assessing the company's ability to sustain its operations and deliver consistent or improved profits in the coming years.

Fortunately, publicly traded companies in the United States are required to disclose extensive accounting information to the public—a valuable resource for informed decision-making. However, leveraging the full potential of these public disclosures to enhance your decision-making process depends on your capacity to understand the criteria employed by the company in generating this information. Rather than relying on a 'garbage-in, garbage-out' valuation model, this course is designed to provide you with a comprehensive understanding of how accounting information is generated. You will gain the knowledge and skills needed to make crucial adjustments to accounting data, enhancing the quality of your decisions.

Furthermore, you will master the latest data analytics techniques, empowering you to navigate the vast sea of accounting information efficiently. Lastly, the course will explore corporate reporting regulations related to environmental, social, and governance (ESG) issues, ensuring you possess contemporary insights that can profoundly influence your business assessments and choices.

Date	Topic	Quizzes and exam
April 4	Course overview and reformulating financial statements	Quiz 1 due on April 7 at 11:59 pm
April 11	Accrual accounting and interpreting financial ratios	Quiz 2 due on April 14 at 11:59 pm
April 18	Forecasting revenue and segment reporting	Quiz 3 due on April 21 at 11:59 pm
April 25	Forecasting working capital and expanding Dupont components	Quiz 4 due on April 28 at 11:59 pm
May 2	Forecasting tangible assets and lease accounting	Quiz 5 due on May 5 at 11:59 pm
May 9	Python and iXBRL	Midterm exam due on May 19 at 11:59 pm
May 16	ESG reporting	
May 23	Forecasting intangible assets and M&A disclosures	Quiz 6 due on May 26 at 11:59 pm
May 30	Financial instruments and capital structure	Quiz 7 due on June 2 at 11:59 pm
June 6	Group presentations	
June 13	Cumulative final exam	

### Required Course Materials

The course Canvas *home page* is the single point where you can access all course materials. A lecture outline will be made available on Canvas before the start of each class to facilitate note-taking during our discussions.

Wharton Research Data Services' Compustat North America fundamentals annual data:  
<https://wrds-www.wharton.upenn.edu/> (Please register an account before the first class)

US Securities and Exchange Commission's EDGAR company filing:  
<https://www.sec.gov/edgar/searchedgar/companysearch>

Financial Accounting Standards Board's Accounting Standards Codification:  
<https://asc.fasb.org/Home>

### Recommended Textbook (OPTIONAL)

Kieso, Weygandt, Warfield *Intermediate Accounting*, 18<sup>th</sup> Edition.

ISBN: 978-1-119-79097-6

Note: Please do not purchase old editions because accounting standards have changed.

## Course assessments

Assignment or Assessment	Weight on Final Grade
Quizzes	10%
Midterm exam	5%
Final exam	40%
Pre-final presentation	5%
Final presentation	30%
Professionalism	10%

### *Quizzes*

- *Quizzes are accessible on Canvas after each class and remain open through Sunday at 11:59 pm Pacific Time.* This wide window accommodates professional and personal commitments.
- *Quizzes are timed (2 hours) and automatically graded.* Once you begin a quiz, you have two consecutive hours to complete it. Note that assignments' end dates and times are “hard stops” on Canvas. Whatever answers you have provided as of the end date/time will be saved and submitted, and the software will not accept additional inputs after the end date/time. Each quiz is designed to take less than 2 hours of your time. A longer window encourages you to work with classmates and accommodates internet connectivity issues, household distractions, etc. Once you access the quiz, the clock starts. The automatic grading ensures that you receive feedback promptly. Automatic grading also means that there is no partial credit. Solutions and scores will be released on Canvas after the quiz closes on Sunday, so late submissions are not accepted.
- *Quizzes are not cumulative.* Please see the course description above for the topic covered by each quiz.
- *Each quiz is an open book, open notes, and open internet assignment.* You may work with anyone currently enrolled in this course. Also, note that each student must individually log into Canvas to take and submit each quiz.
- *Your lowest TWO quiz scores are automatically dropped at the end of the quarter.* I understand that you are juggling many professional and personal commitments. To accommodate the possibility that, on occasion, this course may need to take a backseat to other aspects of your life, your two lowest quiz scores are automatically dropped at the end of the quarter on Canvas. Therefore, only five quizzes are counted towards the final grade. Each of these five quizzes accounts for 2 percent of your final grade.
- *There are no make-up quizzes.* Given the generous policy of automatically dropping the two lowest quiz scores and the wide window that each quiz is accessible, make-up quizzes are not permitted. Please plan accordingly.

### *Midterm Exam*

- *The midterm exam is online. You can access the exam through Canvas after our 5<sup>th</sup> class, and the exam will remain open through Sunday, May 19, at 11:59 pm Pacific Time.* This wide window accommodates professional and personal commitments.
- *The midterm exam is timed (2 hours) and automatically graded.* Once you begin the exam, you

have two consecutive hours to complete it. Whatever answers you have provided as of the end date/time will be saved and submitted, and the software will not accept additional inputs after the end date/time. The automatic grading means that there is no partial credit. Solutions and scores will be released on Canvas after the midterm exam closes on May 19, so late submissions are not accepted.

- *The midterm exam covers Quizzes 1-5 materials.* Please see the course description above for the topic covered by each quiz.
- *The midterm exam is an open book, open notes, and open internet assignment.* However, it should be completed individually. You are not allowed to discuss the content or broad concepts with anyone. The individual setting helps you practice and prepare for the final exam. Please practice working through questions in Quizzes 1-5 on your own before taking the midterm exam to make you comfortable with solving problems in this setting.
- *There is no make-up midterm exam.* Given the wide window that this midterm exam is accessible, a make-up exam is not permitted. Please plan accordingly.

#### *Final Exam*

- *The final exam will be in-person on **Thursday, June 13<sup>th</sup>, from 9:00 am through 12:50 pm Pacific Time** and administered via Canvas.* You must bring your laptop to the exam room. You are responsible for ensuring that your laptop does not run out of battery during the exam.
- *The final exam is cumulative, covering Quizzes 1-7 materials and an iXBRL module.* Please see the course description above for the topic covered by each quiz.
- *The exam is an open book, open notes, and open internet assignment.* However, it should be completed individually. You are not allowed to discuss the content or broad concepts with anyone. Please practice working through questions in quizzes and the midterm exam on your own before taking the final exam to make you comfortable with solving problems in this setting.
- *There is no make-up exam.* Please plan accordingly.

#### *Pre-final and Final Presentations*

- *The pre-final and final presentations are group-based assignments.* You will be assigned to a group during the first week of this course. Your group assignment relies on your input to the pre-course survey on Canvas. Please ensure that you complete the survey with comprehensive information before it closes.
- During our first class, we will discuss and finalize the rubrics to evaluate group presentations. In the wake of today's access to ChatGPT, I will leverage your thoughts on assessing the content's quality and the effectiveness of the group presentations.
- After the first class, I will assign your group to deliver *a ten-minute pre-final presentation* during the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>, or 5<sup>th</sup> class. The pre-final presentation is based on the homework assignment from the previous class. Given its low weight on the final grade, the pre-final presentation allows your group to try collaboration means and presentation techniques.
- Each group has 25 minutes to deliver the final presentation. During the 8<sup>th</sup>, 9<sup>th</sup>, or 10<sup>th</sup> class, I will assign your group to deliver *a 25-minute final presentation*. The grade is group-based,

meaning that every member receives the same score. The grading rubrics will be determined in the first class.

### *Professionalism*

The success of this course is greatly dependent on your active engagement in class. I not only expect you to attend every session but also encourage your participation by sharing your past professional or personal experiences and asking questions that may arise. Most importantly, I encourage respectful interactions with your fellow classmates, leaving a positive and lasting impression on everyone in the room.

### **Accommodations**

UC Davis is committed to educational equity in the academic setting and serving a diverse student body. If you are a student who requires academic accommodations, please contact the Student Disability Center (SDC) directly at [sdcc@ucdavis.edu](mailto:sdcc@ucdavis.edu) or 530-752-3184. If you receive an SDC Letter of Accommodation, submit it to your instructor for each course as soon as possible, at least within the first two weeks of a course.

### **Rights and Responsibilities**

All participants in this course are expected to follow the UC Davis Principles of Community, which includes affirmation of the right of freedom of expression and rejection of discrimination. The right to express opinions without fear of retaliation or censorship is a cornerstone of academic freedom. A diversity of opinions with respectful disagreement and informed debate enriches learning. However, in this course, any expression or disagreement should adhere to our obligations toward each other to build and maintain a climate of mutual respect and caring.

Students are expected to abide by the University of California-Davis Code of Conduct found at <http://sja.ucdavis.edu/files/cac.pdf>.

The Code of Conduct explicitly explains violations (e.g., plagiarism, cheating, unauthorized collaboration, etc.). Academic conduct violations will not be tolerated, and your instructor will not hesitate to turn violators over to Student Judicial Affairs. If you are uncertain what constitutes an academic conduct violation, please refer to the code link or contact your instructor.

All material in the course that is not otherwise subject to copyright is the copyright of the course instructor and should be considered the instructor's intellectual property. Therefore, it is a violation of the Code of Conduct to post materials on other websites.

## **Safety and Emergency Preparedness**

UC Davis has many resources to help in case of emergency or crisis. While reviewing campus Emergency Information, you may want to register for UC Davis Warn Me and Aggie Alert, which will give you timely information and instructions about emergencies and situations on campus that affect your safety. If there is an emergency in the classroom, please follow my instructions.

## **Student Wellness**

You are encouraged to practice self-care to remain focused and engaged, which might mean getting a drink of water or leaving to use the restroom. Please be respectful of others by minimizing distractions when practicing self-care.

Graduate education can be overwhelming at times, but know that you are not alone if you're feeling stressed. Please reach out for support if and when you need it. You can visit Virtual UC Davis to find resources related to health and well-being, academics, basic needs (food and housing), and more.

## **Disclaimer**

Unexpected events might require elements of this syllabus to change. I will keep you informed of any changes via announcements in class and on Canvas.