



Paul Solomon

# Financial Accounting

a new perspective

# Your students try to learn financial accounting, but something has always gotten in the way.

*Does this sound like your classroom?*

**Students** tended to have difficulty understanding financial accounting concepts. The terminology is often unfamiliar and intimidating, reducing their motivation to study and improve.

**Students** often struggled to connect financial accounting and general business practice. They haven't always understood how accounting can be relevant to non-accountants or how it can help determine a company's overall strategy.

**Students** have memorized bits and pieces rather than learned and understood the overall conceptual framework that makes up financial accounting.

**Students** haven't always maximized their study time. Different learning styles require multiple learning aids to help students get the most from their course.

GIFT OF THE ASIA FOUNDATION  
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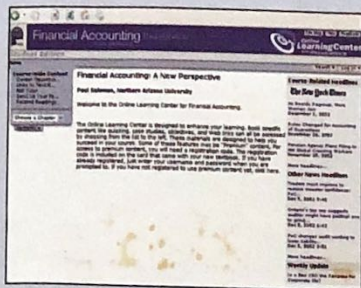
## **Solomon provides the clear view to success in financial accounting.**

Just as students will encounter performance objectives in their future careers, Solomon presents **Performance Objectives** (POs) at the beginning of each chapter. More than just a dry list of topics, the POs delineate specific concepts or skills that are revisited throughout the book, reinforcing and expanding crucial topics. The POs *figure again* in the end-of-chapter material, where students can easily *surmise the topics they need to master in order to succeed in the upcoming chapters*.

In Chapter 1, students meet Susan Newman as she prepares to launch her business, Cards & Memorabilia Unlimited. Throughout the book, this **running business case** allows students to see how financial accounting information is used to make decisions imperative to developing a successful business.

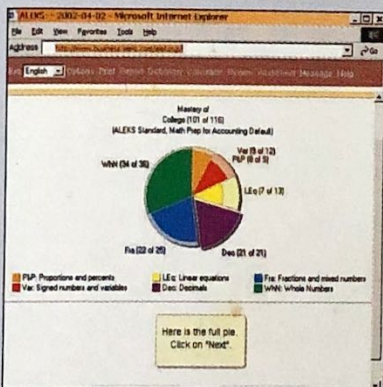
Using a manageable number of transactions and showing how the business requires them in "real time," Solomon helps the student to understand that accounting practices are motivated by the needs of a business. Solomon creates a **framework of basic accounting concepts** upon which the student can build and understand more complex subject matter.

**McGraw-Hill/Irwin provides Solomon users with technology supplements that are second to none, including the Online Learning Center, ALEKS, and NetTutor™.**



The **Online Learning Center (OLC)** is your classroom on the Web, a great place for both instructors and students to find resources that make learning financial accounting easier and more fun. For a list of OLC assets, see the box at right.

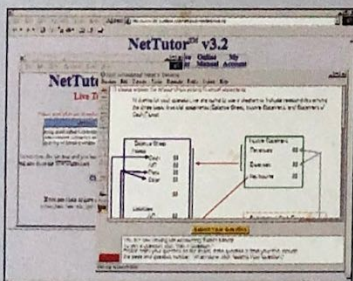
**ALEKS®** (Assessment and Learning in Knowledge Spaces) delivers precise, qualitative diagnostic assessments of students' mathematical knowledge. ALEKS® interacts with the student much as a



skilled human tutor would, moving between explanation and practice as needed, correcting and analyzing errors, defining terms and changing topics on request. By sophisticated modeling of a student's knowledge state, ALEKS® can focus clearly on what the student is most ready to learn next. When students focus on exactly what they are ready to learn, they build confidence, and

a learning momentum that fuels success.

Learn more at <http://www.business.aleks.com>.



**NetTutor™** allows your students to receive live, personalized tutoring via the Internet. Using NetTutor's™ powerful WWWhiteboard software, they can post a question and receive prompt, text-specific feedback from an expert in financial accounting. And they don't even need an appointment.

## **Online Learning Center Contents**

[www.mhhe.com/solomon](http://www.mhhe.com/solomon)

### **Information Center**

Overview

T.O.C.

Author Biography

Preface

List of Print and Electronic Supplements

Link to Pageout

NetTutor™ Demo

Link to ALEKS®

### **Online Instructor Center**

Instructor's Resource Guide

Solutions Manual

Chapter Powerpoint® Presentations

Excel Template Exercises and Solutions

Sample Syllabi

Links to Professional Resources

### **Online Student Center**

Sample Study Guide Chapter

Complete List of Performance Objectives

List of Performance Objectives by Chapter

Glossary of Key Terms by Chapter

Flashcard Key Terms Review

Chapter PowerPoint® Presentations

Research Assignments

Interactive Sample Final Exam

Online Chapter Quizzes

Excel Template Exercises

Check Figures

Links to text-referenced Companies

**Check back for additional content updates!**

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## A New Perspective

Paul Solomon  
Northern Arizona University

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KHÔNG ĐƯỢC BÁN LẠI

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FINANCIAL ACCOUNTING: A NEW PERSPECTIVE

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This book is printed on acid-free paper.

domestic 2 3 4 5 6 7 8 9 0 DOW/DOW 0 9 8 7 6 5 4 3  
international 1 2 3 4 5 6 7 8 9 0 DOW/DOW 0 9 8 7 6 5 4 3

ISBN 0-07-284034-X

Publisher: *Brent Gordon*  
Sponsoring editor: *Steve DeLancey*  
Developmental editor I: *Kelly Odom*  
Marketing manager: *Katherine Mattison*  
Senior producer, Media technology: *David Barrick*  
Senior project manager: *Kimberly D. Hooker*  
Production supervisor: *Gina Hangos*  
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Photo research coordinator: *Jeremy Cheshareck*  
Photo researcher: *Jennifer Blankenship*  
Lead supplement producer: *Becky Szura*  
Senior digital content specialist: *Brian Nacik*  
Cover photo: © *Masterfile*  
Typeface: *10.5/12 Times Roman*  
Compositor: *TechBooks*  
Printer: *R. R. Donnelley*

**Library of Congress Cataloging-in-Publication Data**

Solomon, Paul, 1948—  
Financial accounting : a new perspective / Paul Solomon.  
p. cm.  
Includes index.  
ISBN 0-07-284034-X (alk. paper)—ISBN 0-07-121512-3 (international : alk. paper)  
1. Accounting. I. Title.  
HF5635 .S6892 2004  
657—dc21 2002038900

INTERNATIONAL EDITION ISBN 0-07-121512-3

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# THE AUTHOR

This book is dedicated to the two most important women in my life—

- my mother, Edith (1912–2000), the first published author in our family whose love of language has inspired me, and
- my wife, Susan, an accomplished publishing professional in her own right, whose wise counsel and creative insights have had a great impact on this book, and whose support and love have sustained me.

Dear Colleagues:

*Financial Accounting: A New Perspective* embodies an approach to teaching that I have developed over my 30 plus years in the classroom. It truly is a new perspective, and here's why:

- It introduces concepts to students as they are ready for them by using what I call a *spiral approach*, which doesn't require students to master concepts in one presentation. Instead, students often have two or more opportunities to refine their understanding of particular concepts.
- It breaks the long-standing paradigm that other books use. For example, it begins not by talking about business and accounting in the abstract, but by introducing a realistic, concrete business case students can count on throughout the book as a controlled environment in which to learn new concepts.
- It motivates students by truly acknowledging them as business majors *first* — by taking them out of the preparer mode yet still emphasizing how they cannot be successful in business without accounting. Thus, students are more likely to stay in the course and ultimately become accounting majors.
- It discourages memorization in three ways: it uses the aforementioned spiral approach; it delays such topics as debits and credits and the accounting cycle, giving students more time to master basic concepts; and it uses the more intuitive organizing principle of three business activities — financing, investing, and operating — rather than a daunting list of balance sheet accounts.

My results from using this new perspective have been dramatic. How dramatic? Before I fully implemented this approach, I often complained to my colleagues that the quality of my students was declining. Then, the first time I used this new perspective, I was struck by how unusually bright and motivated my students appeared. Only after several weeks did it occur to me that it was the *course* that had changed not the quality of my students! When I changed my course perspective to one that was truly student-centered, my students' true abilities emerged. The evidence that my students are more motivated is clear: they tell me how much they enjoy the course because of its focus on business and those who admit to dropping or failing a previous course, remark how different it is from traditional instructor-centered courses. My attrition rate is lower, I have fewer complaints, students are more enthusiastic, and I enjoy teaching more!

I encourage you to try this new student-centered perspective on financial accounting!

Sincerely,

*Paul Solomon*

# ABOUT THE AUTHOR

For over 30 years, **Paul Solomon** has dedicated himself to accounting education because he loves to teach accounting. This textbook embodies his special talent of being able to explain even the most difficult accounting concepts in ways students easily grasp and his passion and long-standing involvement in accounting education.

Paul teaches at Northern Arizona University and is a leading proponent of implementing a user-oriented first course in accounting. Prior to teaching at NAU, he was a tenured faculty member at San Jose State University.

While at San Jose State, Paul chaired a conference for ten years that allowed two- and four-year educators to meet and communicate on significant education issues. This conference became known as The California Colloquium on Accounting Education, his efforts for which were rewarded with the California Society of CPA's 1995 *Faculty Excellence Award*. In 1998, Paul's dedication and initiative culminated in his being awarded the coveted American Accounting Association's *Innovation in Accounting Education Award*.

Paul earned his Ph.D. from the University of Minnesota in 1981 and was awarded the *Ernest Heilman Award* for Outstanding Graduate Student Teaching while studying for his doctorate. His professional experience includes positions at the General Accounting Office; Touche Ross and Company; Lybrand, Ross Brothers and Montgomery; and Haskins and Sells.

Today, Paul is closely involved in the American Accounting Association's focus on faculty development. He is the founder and chairman of the Colloquium on Change in Accounting Education, a national faculty conference. He travels extensively to present faculty workshops and to consult with individual accounting programs.

Paul has a son, Phillip — an aspiring playwright studying at The Actor's Studio in New York City — and lives with his wife Susan and four dogs — Cookie, Molly, Max, and Zachary — among the awe-inspiring red rocks of Sedona, Arizona.

