

ADVANCED ACCOUNTING

高级会计学

[第10版]

Paul M. Fischer
〔美〕 William J. Taylor 著 王 鑫 改编
Rita H. Cheng

会计学精选教材·英文改编版

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北京大学出版社
PEKING UNIVERSITY PRESS

北京市版权局著作权合同登记 图字: 01-2010-0726 号

图书在版编目(CIP)数据

高级会计学: 第10版(英文版)/(美)费希尔(Fischer, P. M.)等著. —北京: 北京大学出版社, 2010.6

(会计学精选教材·英文改编版)

ISBN 978-7-301-17348-0

I. ①高… II. ②费… III. ①管理会计—高等学校—教材—英文 IV. ①F230

中国版本图书馆 CIP 数据核字(2010)第 110915 号

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Advanced Accounting, tenth edition

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(Thomson Learning 现更名为 Cengage Learning)

书 名: 高级会计学(第10版)

著作责任者: [美] Paul M. Fischer William J. Taylor Rita H. Cheng 著

策 划 编 辑: 朱启兵

责 任 编 辑: 李 娟

标 准 书 号: ISBN 978-7-301-17348-0/F·2539

出 版 发 行: 北京大学出版社

地 址: 北京市海淀区成府路 205 号 100871

网 址: <http://www.pup.cn> 电子邮箱: em@pup.pku.edu.cn

电 话: 邮购部 62752015 发行部 62750672 编辑部 62752926 出版部 62754962

印 刷 者: 三河市欣欣印刷有限公司

经 销 者: 新华书店

850 毫米×1168 毫米 16 开本 48.5 印张 958 千字

2010 年 6 月第 1 版 2010 年 6 月第 1 次印刷

印 数: 0001—4000 册

定 价: 79.00 元

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关于本书

适用对象

本书适合高等院校会计专业高年级本科生使用。

内容简介

本书是美国最为权威、综合的高级会计学教材之一。注重理论与实践的平衡,循序渐进,通过大量的例子使学生理解会计理论在实践中的应用。本书注重对概念的理解,写作风格清晰简明,使众多疑难问题易于理解。本版包含了最新的 FASB 准则及其对合并报表的影响。删减后保留了合并报表、外币业务、衍生金融工具业务以及信息披露等内容,更符合国内的需求。

作者简介

Paul M. Fischer, 威斯康星大学密尔沃基分校 (University of Wisconsin, Milwaukee) Jerry Leer 会计学讲座教授, 讲授中级和高级财务会计课程, 并曾荣获 AMOCO 杰出教授奖和商学院管理委员会教学奖, 还为一些大公司进行高管培训。他在威斯康星大学麦迪逊分校获得博士学位, 是一名注册会计师 (CPA), 是美国注册会计师协会、威斯康星州注册会计师协会以及美国会计学会会员, 并曾担任美国会计学会中西部主席。

Fischer 教授著有《成本会计: 理论与应用》(*Cost Accounting: Theory and Applications*, 与 Frank 合作) 以及《营销管理的财务维度》(*Financial Dimensions of Marketing Management*, 与 Crissy 和 Mossman 合作) 等书籍, 发表了大量期刊论文。他的研究兴趣主要在于租赁会计、养老金会计以及企业购并会计。

William J. Taylor, 威斯康星大学密尔沃基分校会计学荣誉教授, 主要讲授本科和研究生层次的财务会计和审计课程, 还曾讲授 EMBA 课程, 以及为一些大公司进行高管培训, 曾荣获 AMOCO 杰出教授奖和商学院管理委员会教学奖。他在乔治亚州立大学获得博士学位, 是注册会计师及注册价值分析师 (CVA), 是美国注册会计师协会、国家注册价值分析师协会会员。他曾任职于德勤及安达信, 从事审计业务, 并担任很多企业的顾问。

Rita H. Cheng, 威斯康星大学密尔沃基分校会计学教授, 主要讲授政府和非营利组织会计以及高级财务会计课程, 曾荣获商学院管理委员会教学奖。她在天普大学 (Temple University) 获得博士学位, 是注册会计师及注册政府财务管理师。Cheng 博士的研究兴趣集中在州和地方政府的会计和财务报告的质量, 以及会计管制对企业竞争力的影响, 发表了大量论文和研究报告。她是美国会计学会政府和非营利组织分会的活跃成员, 曾担任过区域主席, 并曾为政府会计准则委员会的准则制定提供过意见。

本书特色

► 理论与实践的平衡: 本书保持了前几版注重理论与实践平衡的特点, 以一种清晰的写作风格、大量来自企业会计实践的例子展示了对会计概念的理解, 以及这些概念在现实中的应用,

从而使得理论与实践完美地结合在一起,使学生易于理解复杂的会计主题。

►内容全面,体系完整:本书完整覆盖了高级会计的相关主题,包括最新的合并报表准则以及与国际会计准则相调和的内容,并用一个专题覆盖了衍生金融工具及相关会计主题的全部内容。

►为教学提供了最大便利:在本书正文中,设计了“Learning Objectives”,“Reflection”,“Understanding the Issues”等专栏,以引导学生循序渐进地理解、掌握所学内容。本书网站提供了 Excel 指南和电子版工作底稿,并对工作底稿进行了统一编号,以便于学生在学习不同章节时检索。

教辅材料说明

1. 习题手册:包含本书各章后所有练习的答案。
2. 习题库:包含所有章节的多项选择题、小练习及相应的答案,并包含各章节的测试题。
3. PPT:教学用 PPT 可从本书网站获取。

欲获得本书相关教辅材料的教师,请填写并反馈本书后面所附的《教学支持说明》,Cengage 出版公司将提供相应教辅材料。

致 谢

中央财经大学王鑫老师对本书进行了精心的审校,为本书的删节改编提出了宝贵意见,使其更符合国内的教学需要。在此谨向他表示衷心的感谢!

出版声明

本书是对国外原版教材删节后的影印版,由于各个国家政治、经济、文化背景的不同,对原作者所持观点,还请广大读者在阅读过程中加以分析和鉴别。

INNOVATION

The tenth edition of *Advanced Accounting* by Paul Fischer, William Taylor, and Rita Cheng raises the standard in accounting education. Providing the most innovative, up-to-date, and comprehensive coverage of advanced financial accounting topics on the market today, the tenth edition incorporates pedagogically strong elements throughout. The end result is a valuable and useful resource for both the present and the future. Fischer/Taylor/Cheng's *Advanced Accounting* offers the learner the ability to understand and apply new knowledge like no other advanced accounting text available. Leading the way are these unique, innovative, and helpful features:

◆ **Excelling with ease—An easy-to-follow Excel® tutorial and convenient electronic working papers available on the text's Web site (academic.cengage.com/accounting/fischer):**

- ◆ This unique tutorial teaches a step-by-step process for completing consolidations worksheets in an Excel-based environment. The tutorial makes it possible to master consolidations worksheets more quickly.
- ◆ The tutorial guides the student through the creation of Excel worksheets. Each chapter of the tutorial adds the consolidations processes to parallel those presented in Chapters 1–6 of the text.
- ◆ The electronic working papers in Excel format provide students with the basic worksheet structure for selected assignments throughout the text. These assignments are identified in the text by the icon shown here.

◆ **Comprehending through consistency—Common coding for the worksheets:**

- ◆ All consolidations worksheets use a common coding for the eliminations and adjustments. A complete listing of the codes is presented on the inside of the front cover. Students are now able to quickly recall worksheet adjustments as they move from one chapter to the next.
- ◆ Within the chapter narrative, the worksheet eliminations and adjustments are shown in journal entry form and are referenced using the same coding. This provides consistent reinforcement of the consolidations process and aids students in their understanding of the worksheet procedures. An example follows:

(CY1) Eliminate current-year equity income:		
Subsidiary Income	60,000	
Investment in Company S		60,000
(EL) Eliminate 80% of subsidiary equity against investment in subsidiary account:		
Common Stock (\$10 par), Company S	80,000	
Retained Earnings, January 1, 20X1, Company S	56,000	
Investment in Company S		136,000
(IS) Eliminate intercompany merchandise sales:		
Sales	100,000	
Cost of Goods Sold		100,000



- ◆ The same codes are continued in the Excel tutorial and the worksheet solutions.
- ◆ **Taming a tough topic—Coverage of derivatives and related accounting issues in a module:**
 - ◆ A comprehensive module deals with derivative instruments and related accounting issues. This module, located just before Chapter 10, sets forth the basic characteristics of derivative financial instruments and explains the features of common types of derivatives. Accounting for derivatives held as an investment and as a part of a hedging strategy is discussed. Although covering the derivatives module prior to Chapter 10 is recommended, Chapter 10 can be taught without coverage of the derivatives module.
 - ◆ Fair value and cash flow hedges are clearly defined, and the special accounting given such hedges is set forth in a clear and concise manner. Options, futures, and interest rate swaps are used to demonstrate accounting for fair value hedges and cash flow hedges.
 - ◆ New explanations, examples, and end-of-chapter problems have been added to help simplify this complex topic.
 - ◆ The more complex complications that are associated with the use of forward contracts are introduced in the module and then fully addressed in Chapter 10. Thus, Chapter 10's discussion of hedging foreign currency transactions is more streamlined and less cumbersome.
 - ◆ Most of the chapter's discussion of hedging foreign currency transactions involves the use of forward contracts. The focus is on the use of such contracts to hedge foreign currency transactions, commitments, and forecasted transactions.

1

OBJECTIVE

Explain why transactions between members of a consolidated firm should not be reflected in the consolidated financial statements.

- ◆ **Measuring student mastery—Learning Objectives:**
 - ◆ Each chapter begins with a list of measurable learning objectives, which are repeated in the margin near the related coverage.
 - ◆ The exercises and problems at the end of the chapter indicate the specific learning objectives that they reinforce. This helpful indicator, along with the assignment titles, provides a quick reference for both student and instructor.
- ◆ **Communicating the core content—Reflection:**
 - ◆ Concluding every main section is a reflection on the core information contained in that section.
 - ◆ These reflections provide students with a clear picture of the key points they should grasp and give them a helpful tool for quick review.

R E F L E C T I O N

- The combining of the statements of a parent and its subsidiaries into consolidated statements is required when parent ownership exceeds 50% of the controlled firm's shares.
- Consolidation is required for any company that is controlled, even in cases where less than 50% of the company's shares is owned by the parent.

◆ **Thinking it through—Understanding the Issues:**

- ◆ These questions at the end of the chapter emphasize and reinforce the core main issues of the chapter. An example follows:

UNDERSTANDING THE ISSUES

1. A parent company paid \$400,000 for a 100% interest in a subsidiary. At the end of the first year, the subsidiary reported net income of \$30,000 and paid \$5,000 in dividends. The price paid reflected understated equipment of \$50,000, which will be amortized over 10 years. What would be the subsidiary income reported on the parent's unconsolidated income statement, and what would the parent's investment balance be at the end of the first year under each of these methods?
 - a. The simple equity method
 - b. The sophisticated equity method
 - c. The cost method
2. What is meant by date alignment? Does it exist on the consolidated worksheet under the following methods, and if not, how is it created prior to elimination of the investment account under each of these methods?
 - a. The simple equity method
 - b. The sophisticated equity method
 - c. The cost method

- ◆ They encourage students to think in greater depth about the topics and expand their reasoning skills. Discussion skills are also developed through use of the questions as springboards for class interaction.

THEORY BLENDED WITH APPLICATION

With a strong tradition of combining sound theoretical foundations with a hands-on, learn-by-example approach, the tenth edition continues its prominent leadership position in advanced accounting classrooms across the country. The authors build on *Advanced Accounting's* clear writing style, comprehensive coverage, and focus on conceptual understanding.

Realizing that students reap the greatest benefits when they can visualize the application of theories, *Advanced Accounting* closely links theory and practice by providing examples through relevant exhibits and tables that are common to real-world accounting. When students can visualize the concept being discussed and apply it directly to an example, their understanding greatly improves. This focus on conceptual understanding makes even the most complex topics approachable.

Assignments are clearly defined. "Understanding the Issues" questions are used to reinforce theory, and exercises are short, focused applications of specific topics in the chapter. These exercises are very helpful when students use them as preparations for class presentation. The book's problems—more comprehensive than the exercises—often combine topics and are designed to work well as after-class assignments. For group projects, the cases found in the business combinations chapters provide an innovative way to blend theoretical and numerical analysis.

ENHANCED COVERAGE

Advanced Accounting reflects changes in accounting procedures and standards while improving on those features that aid in student comprehension.

Comprehensive coverage of the impact of the latest FASB statements, including:

- ◆ The majority of the material on business combinations has been rewritten to fully incorporate FASB Statement Nos. 141R and 160 published in December 2007.

- ◆ Discussion of the FASB's convergence project, designed to move toward a common set of international accounting standards, is included.

FLEXIBILITY

The book's flexible coverage of topics allows for professors to teach their course at their own pace and in their preferred order. There are no dependencies between major sections of the text except that coverage of consolidations should precede multinational accounting if one is to understand accounting for foreign subsidiaries. It is also advisable that students master the module on derivatives before advancing to the chapter on foreign currency transactions. The book contains enough coverage to fill two advanced courses, but when only one semester is available, many professors find it ideal to cover the first four to six chapters in business combinations.

The text is divided into the following major topics:

Business Combinations—Basic Topics (Chapters 1–6)

Chapter 1 demonstrates the FASB rules, under Statement Nos. 141R and 142, for assigning the cost of an acquired company to its assets and liabilities. Goodwill impairment replaces amortization and is fully explained.

Chapters 2 through 5 cover the basics of preparing a consolidated income statement and balance sheet. In 1977, we introduced two schedules that have been much appreciated by students and faculty alike—the Determination and Distribution of Excess Schedule and Income Distribution Schedule. The determination and distribution schedule (quickly termed the D&D schedule by students) analyzes the difference between the fair value of the acquired company and the underlying equity of the subsidiary. The D&D schedule has been reconfigured to revalue the entire company, including the noncontrolling interest. It provides a check figure for all subsequent years' worksheets, details all information for the distribution of differences between book and fair values, and reveals all data for the amortization of the differences. The schedule provides rules for all types of acquisition situations. The income distribution schedule (known as the IDS) is a set of T accounts that distributes income between the noncontrolling and controlling interests. It also provides a useful check function to ensure that all intercompany eliminations are properly accounted for. These chapters give the student all topics needed for the CPA Exam. (For easy reference, the text contains a callout in the margin, as shown here, that ties the narrative to the worksheets. In addition, the related narrative pages are indicated in the upper right side of each worksheet. This allows the reader to quickly locate important explanations.)

Worksheet 3-1: page

With regard to the alternative worksheet methods and why we follow the approaches we do, consider the method used to record the investment in the subsidiary's and the parent's books. There are two key points of general agreement. The first is that it doesn't really matter which method is used, since the investment account is eliminated. Second, when the course is over, a student should know how to handle each method: simple equity, full (we call it sophisticated) equity, and cost. The real issue is which method is the easiest one to learn first. We believe the winner is simple equity, since it is totally symmetric with the equity accounts of the subsidiary. It simplifies elimination of subsidiary equity against the investment account. Every change in subsidiary equity is reflected, on a pro rata basis, in the parent's investment account. Thus, the simple equity method becomes the mainline method of the text. We teach the student to convert investments maintained under the cost method to the simple equity method. In practice, most firms and the majority of the problems in the text use the cost method. This means that the simple equity method is employed to solve problems that begin as either simple equity or cost method problems.

We also cover the sophisticated equity method, which amortizes the excess of cost or book value through the investment account. This method should also adjust for intercompany profits through the investment account. The method is cumbersome because it requires the student to deal with amortizations of excess and intercompany profits in the investment account before getting to the consolidated worksheet, which is designed to handle these topics. This means teaching consolidating procedures without the benefit of a worksheet. We cover the method

after the student is proficient with a worksheet and the other methods. Thorough understanding of the sophisticated method is important so that it can be applied to influential investments that are not consolidated. (This is covered in Special Appendix 2.)

Another major concern among advanced accounting professors has to do with the worksheet style used. There are three choices: the horizontal (trial balance) format, the vertical (stacked) method, and the balance sheet only. Again, we do cover all three, but the horizontal format is our main method. Horizontal is by far the most appealing to students. They have used it in both introductory and intermediate accounting. It is also the most likely method to be found in practice. On this basis, we use it initially to develop all topics. We cover the vertical format but not until the student is proficient with the horizontal format. There is no difference in the elimination procedures; only the worksheet logistics differ. It takes only one problem assignment to teach the students this approach so they are prepared for its possible appearance on the CPA Exam. The balance-sheet-only format has no reason to exist other than its use as a CPA Exam testing shortcut. We cover it in an appendix.

Chapter 6 may be more essential for those entering practice than it is for the CPA Exam. It contains cash flow for consolidated firms, consolidated earnings per share, and taxation issues. Support schedules guide the worksheet procedures for consolidated companies, which are taxed as separate entities. Taxation is the most difficult application of consolidation procedures. Every intercompany transaction is a tax allocation issue. Teaching the tax allocation issues with every topic as it is introduced is very confusing to students. We prefer to have the students fully understand worksheet procedures without taxes and then introduce taxes.

Business Combinations—Specialized Topics (Chapters 7 and 8)

These chapters deal with topics that occasionally surface in practice and have seldom appeared on the CPA Exam. Studying these chapters perfects the students' understanding of consolidations and stockholders' equity accounting, thus affording a valuable experience. Chapter 7 deals with piecemeal acquisitions of an investment in a subsidiary, sale of the parent's investment, and the impact of preferred stock in the subsidiary's equity structure. Chapter 8 deals with the impact of subsidiary equity transactions including stock dividends, sale of common stock shares, and subsidiary reacquisitions of shares. The chapter also considers indirect or three-tier ownership structures and reciprocal holdings where the subsidiary owns parent shares. Both Chapters 7 and 8 are radically revised as a result of new procedures set forth in FASB Statement No. 160. Following Chapter 8, a Special Appendix explores accounting for leveraged buyouts.

Accounting for equity method investments is located in a new Special Appendix 2, following the one on leveraged buyouts. The methods used for consolidations are adapted to influential investments. The IDS schedule used to distribute consolidated net income is used to calculate investment income.

Multinational Accounting and Other Reporting Concerns (Chapters 9–11 and Module)

As business has developed beyond national boundaries, the discipline of accounting also has evolved internationally. As our global economy develops, so, too, does the demand for reliable and comparable financial information. Chapter 9 discusses the international accounting environment and compares accounting principles among several countries. This comparison illustrates the need for accounting standards to be in harmony with each other. Approaches to the harmonization of standards and the various organizations involved are identified.

The use of derivative financial instruments and the related accounting is a very complex subject that is discussed in a separate module. The principles set forth in FASB Statement Nos. 133 and 137 are set forth in a clear manner. The module may be used to support a standalone topic dealing with derivatives or as a preface to the multinational chapter dealing with foreign currency transactions. Regardless of how one chooses to use the module, students will benefit from an understanding of this important topic. The nature of derivatives is discussed along with a more in-depth look at the common types of derivative instruments. The basic accounting for

derivatives held as an investment is illustrated. Options, futures, and interest rate swaps are used for illustrative purposes. The accounting for derivatives that are designated as a hedge is illustrated for both fair value and cash flow hedges. More specifically, the use of a derivative to hedge a recognized transaction (asset or liability), an unrecognized firm commitment, or a forecasted transaction is discussed and illustrated. Throughout the module, illustrative entries and graphics are used to improve the students' understanding of this topic.

Chapter 10 discusses the accounting for transactions that are denominated or settled in a foreign currency. Following this discussion, the hedging of such transactions with the use of forward contracts is introduced. Hedging foreign currency recognized transactions, unrecognized firm commitments, and forecasted transactions is discussed in order to illustrate the business purpose and special accounting associated with such hedging strategies in an international setting. The chapter is not overly complicated, given the fact that the concept of hedging and the special accounting given hedges have already been discussed in a separate module on derivatives and related accounting issues.

Chapter 11 demonstrates the remeasurement and/or translation of a foreign entity's financial statements into a U.S. investor's currency. Wherever possible, examples of footnote disclosure relating to international accounting issues are presented.

The usefulness of financial information naturally increases if it is communicated on a timely basis. Therefore, interim financial statements and reporting requirements are now widely accepted. In Chapter 12, the concept of an interim period as an integral part of a larger annual accounting period is set forth as a basis for explaining the specialized accounting principles of interim reporting. Particular attention is paid to the determination of the interim income tax provision including the tax implications of net operating losses. Chapter 12 also examines segmental reporting and the various disclosure requirements. A worksheet format for developing segmental data is used, and students are able to review the segmental footnote disclosure for a large public company. The section on segmental reporting is based on the principles of accounting set forth in FASB Statement No. 131.

UNPARALLELED SUPPORT

Supplementary Materials for the Instructor:

Solutions Manual. This manual provides answers to all end-of-chapter "Understanding the Issues" questions and solutions to all exercises, problems, and cases. The electronic files for this ancillary can be found on the Instructor's Resource CD and in the Instructor Resources section of the text's Web site (academic.cengage.com/accounting/fischer).

Test Bank. Consisting of a variety of multiple-choice questions and short problems and the related solutions, this test bank had been newly updated and revised by Anne M. Oppegard of Augustana College. The content includes testing questions for the text chapters and the derivatives module. The test bank is available electronically in Word and ExamView® on the Instructor's Resource CD.

PowerPoint® Slides. Teaching transparencies are available in electronic format on the Instructor's Resource CD and in the Instructor Resources section of the text's Web site.

Dedicated Product Web Site (academic.cengage.com/accounting/fischer). The password-protected Instructor Resources section of the text's Web site contains:

- ◆ **Solutions Manual files, in Microsoft Word.**
- ◆ **Test Bank files, in Microsoft Word and Excel.**
- ◆ **PowerPoint® Presentations.** Author-developed electronic slides are available to enrich classroom teaching of concepts and practice. These were developed by Anne M. Oppegard of Augustana College.
- ◆ **See below for the content of the Student Resources section.**

Valuable Supplementary Materials for the Student:

Excel® Tutorial and Working Papers. Provided on the text's Web site (academic.cengage.com/accounting/fischer), this step-by-step tutorial carefully guides students as they learn how to set up worksheets in Excel and apply their consolidations knowledge learned in Chapters 1–6 of the text. In addition, Excel working papers for selected text problems are provided to assist students in completing homework. These selected end-of-chapter assignments are identified in the text by the icon shown here.

Dedicated Product Web Site (academic.cengage.com/accounting/fischer). The Student Resources section of the text Web site contains:

- ◆ **Excel® Tutorial and Electronic Working Papers.**
- ◆ **Check Figures.** A list of helpful check figures to the end-of-chapter problems is provided.
- ◆ **City of Milwaukee Financial Statements.** These statements provide a helpful reference for coverage in the governmental chapters.
- ◆ **Learning Objectives.** These are repeated from the text to serve as a study aid.
- ◆ **Chapter Quizzes.**
- ◆ **Glossary.**
- ◆ **Content Updates relevant to changes in FASB standards.**

Acknowledgments

In preparation for the new edition, the following individuals shared detailed ideas and suggestions for changes and improvements, of which many have been implemented in this tenth edition text and supplements. We thank them all for their timely information.

Paul Sheldon Foote, California State University—Fullerton
Kevin J. Misenheimer, Gardner-Webb University
Georgia Saemann, University of Wisconsin—Milwaukee
Barbara Wheeling, Montana State University—Billings
Christian E. Wurst Jr., Temple University

We thank the following ancillary writers and verifiers for their conscientious effort to make sure the support materials are accurate and tie closely to the text's up-to-date content.

Writers:

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Their patience in the revision process is greatly appreciated.

Finally, a special thank you goes to Carol Fischer (University of Wisconsin—Waukesha) for her many hours of extensive, creative work on developing the Excel tutorial and working papers materials. These products provide easy-to-follow assistance to students as they learn the worksheet process.

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