



Financial and Managerial Accounting, 8th ed. Wild and Shaw

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Overall Changes to the 8th Edition:

- New **Cheat Sheets** at each chapter-end visually reinforce key chapter content.
- More concise text covering same content.
- New assignments—all available in *Connect* with algorithmic options.
- Gross method is used for merchandising transactions, reflecting practice—adjusting entries for new revenue recognition rules in an appendix.
- Many new **Need-to-Know (NTK)** demos and accompanying videos to aid learning.
- Revised investments coverage for new standard.
- New assignments that focus on financial statement preparation.
- New **Sustainability** online appendix.
- Many new and revised **General Ledger** and **Excel** assignments.
- New **Global View** online appendix replaces end of chapter coverage.
- New **Accounting Analysis** assignments—all available in *Connect*—using real-world data from **Apple, Google, and Samsung**.
- Updated videos for each learning objective in new Concept Overview Video format.

Chapter by Chapter Changes

Chapter 1

- Updated opener—**Apple** and entrepreneurial assignment.
- Updated salary info for accountants.
- Revised business entity section along with adding LLC.
- Updated section on FASB objectives and accounting constraints.
- New layout for introducing the expanded accounting equation.
- New layout for introducing financial statements.
- Updated Apple numbers for NTK 1-5.
- New Cheat Sheet reinforces chapter content.
- Global View moved to online appendix—for all financial chapters.
- Sustainability section moved to online appendix—for all financial chapters.
- Updated return on assets analysis using **Nike** and **Under Armour**.
- Added a new Exercise assignment and Quick Study assignment.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 2

- NEW opener—**Fitbit** and entrepreneurial assignment.
- New visual for process to get from transactions to financial statements.
- New layout on four types of accounts that determine equity.
- Improved presentation of “Double-Entry System” section.
- Updated Apple data for NTK 2-4.
- Updated debt ratio analysis using **Costco** and **Walmart**.
- New Cheat Sheet reinforces chapter content.
- Added four new Quick Studies.
- Added three new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 3

- NEW opener—**Snapchat** and entrepreneurial assignment.
- Revised learning objectives and chapter preview—each type of adjusting entry is assigned its own learning objective.
- Updated “Recognizing Revenues and Expenses” section.
- New streamlined “Framework for Adjustments” section.
- Enhanced Exhibit 3.12 on summary of adjustments.
- Enhanced Exhibit 3.19 on steps of accounting cycle with images.
- Streamlined section on classified balance sheet.
- Updated profit margin analysis using **Visa** and **Mastercard**.
- Updated current ratio analysis using **Costco** and **Walmart**.
- New Cheat Sheet reinforces chapter content.
- Improved layouts for Exhibits 3A.1 through 3A.5.
- Added new Quick Studies.
- Added new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 4

- NEW opener—**Build-A-Bear** and entrepreneurial assignment.
- Updated introduction for servicers vs. merchandisers using **Liberty Tax** and **Nordstrom**.
- Revised NTK 4-1 covers basics of merchandising.

- Reorganized “Purchases” section to aid learning.
- New Decision Insight on growing number of returns for businesses.
- Enhanced entries on payment of purchases within discount period vs. after discount period.
- Improved discussion of entries for sales with discounts vs. sales without discounts.
- Appendix 4B explains adjusting entries for future sales discounts, returns, and allowances.
- Color-coded Exhibit 4.12 highlights different merchandising transactions.
- Updated acid-test ratio and gross margin analysis using **Nike** and **Under Armour**.
- Appendix 4C covers the net method.
- Appendix 4D moved to online only.
- New Cheat Sheet reinforces chapter content.
- Added three new Quick Studies.
- Added four new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 5

- NEW opener—**Shake Shack** and entrepreneurial assignment.
- New Ethical Risk on alleged fraud at Homex.
- Simplified introduction to inventory costing.
- Shortened explanation for specific identification.
- Enhanced layout to explain effects of inventory errors across years.
- Updated inventory turnover and days’ sales in inventory analysis using **Costco** and **Walmart**.
- New Cheat Sheet reinforces chapter content.
- Added colored arrow lines to Exhibits 5A.3 and 5A.4 to show cost flows from purchases to sales.
- Added one new Quick Study.
- Added two new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 6

- NEW opener—**Care.com** and entrepreneurial assignment.
- New COSO framework to guide internal control, including COSO cube.
- New discussion of internal control failure at Amazon that cost customers \$150 million.
- Simplified bank statement for learning.
- Revised bank reconciliation section to separate bank balance adjustments and book balance adjustments.
- New summary image on adjustments for bank balance and for book balance.
- Removed collection expenses and NSF fees—most are immaterial and covered in advanced courses.
- Updated days’ sales uncollected analysis using **Starbucks** and **Jack in the Box**.
- New Cheat Sheet reinforces chapter content.
- Added three new Quick Studies.
- Added eight new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 7

- NEW opener—**Facebook** and entrepreneurial assignment.
- Updated company data in Exhibit 7.1.
- Streamlined direct write-off method.
- Enhanced Exhibit 7.6 showing allowances set aside for future bad debts along with journal entries.
- New calendar graphic added as learning aid with Exhibit 7.12.

- New Excel demo to compute maturity dates.
- Updated accounts receivable analysis using **Visa** and **Mastercard**.
- New Cheat Sheet reinforces chapter content.
- Added five new Quick Studies.
- Added a new Exercise.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 8

- New opener—**New Glarus Brewery** and entrepreneurial assignment.
- Updated company data in Exhibit 8.1.
- Added entry with Exhibit 8.3 and Exhibit 8.4.
- Simplified “Partial-Year Depreciation.”
- Added margin table to Exhibit 8.14 as learning aid.
- New Decision Insight box on extraordinary repairs to **SpaceX**’s reusable orbital rocket.
- New simple introduction to finance leases and operating leases for new standard.
- Updated asset turnover analysis using **Starbucks** and **Jack in the Box**.
- Simplified Appendix 8A by postponing exchanges without commercial substance to advanced courses.
- New Cheat Sheet reinforces chapter content.
- Added two new Quick Studies.
- Added a new Exercise.
- Added two new Problems.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 9

- NEW opener—**Pandora** and entrepreneurial assignment.
- Updated data in Exhibit 9.2.
- Streamlined “Short-Term Notes Payable.”
- Simplified explanation of FICA taxes.
- Updated payroll tax rates and explanations.
- Revised Need-To-Know 9-4.
- New W-4 form added to Appendix 9A.
- New Cheat Sheet reinforces chapter content.
- Added two new Quick Studies.
- Added four new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 10

- NEW opener—**e.l.f. Cosmetics** and entrepreneurial assignment.
- Updated **IBM** bond quote data.
- Simplified numbers in Exhibit 10.7.
- Simplified Exhibit 10.10 on premium bonds.
- Simplified numbers in Exhibit 10.11.
- Bond pricing moved to Appendix 10A.
- Simplified Exhibit 10.12 for teaching note amortization schedule.
- Updated debt-to-equity analysis using **Nike** and **Under Armour**.
- New Excel computations for bond pricing in Appendix 10A.
- Simplified numbers in Exhibits 10B.1 and 10B.2.
- Revised Appendix 10C for new standard on finance leases and operating leases.

- New Cheat Sheet reinforces chapter content.
- Added five new Quick Studies.
- Added four new Exercises.
- Added four new Problems.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 11

- NEW opener—**Yelp** and entrepreneurial assignment.
- New Decision Insight on bots investing in stocks using erroneous news.
- New **AT&T** stock quote explanation.
- New graphic visually depicting cash dividend dates.
- New table summarizing differences between small stock dividends, large stock dividends, and stock splits.
- Updated **Apple** statement of equity in Exhibit 11.10.
- Updated PE ratio and dividend yield using **Amazon, Altria, Visa, and Mastercard**.
- Simplified book value per share explanation and computations.
- New Cheat Sheet reinforces chapter content.
- Added six new Quick Studies.
- Added four new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 12

- NEW opener—**Vera Bradley** and entrepreneurial assignment.
- New box on **Tesla's** cash outflows and growing market value.
- Slightly revised infographics on cash flows from operating, investing, and financing.
- Streamlined sections on analyzing the cash account and noncash accounts.
- New presentation to aid learning of indirect adjustments to income.
- Simplified T-accounts to reconstruct cash flows.
- Simplified reconstruction entries to help compute cash flows.
- Updated cash flow on total assets analysis using **Nike** and **Under Armour**.
- New Cheat Sheet reinforces chapter content.
- Added ten new Quick Studies.
- Added four new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 13

- Updated opener—**Morgan Stanley** and entrepreneurial assignment.
- Updated data for all analyses of **Apple** using horizontal, vertical, and ratio analysis.
- Updated comparative analysis using **Google** and **Samsung**.
- Streamlined section on ratio analysis.
- Streamlined the analysis reporting section.
- Shortened Appendix 13A.
- New Cheat Sheet reinforces chapter content.
- Added eight new Quick Studies.
- Added two new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 14

- NEW opener—**MoringaConnect** and entrepreneurial assignment.

- Added discussion on role of managerial accounting for nonaccounting and nonbusiness majors.
- Added equation boxes for total manufacturing costs and cost of goods manufactured.
- New margin exhibit showing product and period cost flows.
- Added lists of common selling and administrative expenses.
- Updated several exhibits for clarity.
- New Cheat Sheet reinforces chapter content.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 15

- NEW opener—**HoopSwagg** and entrepreneurial assignment.
- Revised discussions of manufacturing costs and link between job cost sheets and general ledger.
- Added graphic linking job cost sheets and general ledger accounts.
- Enhanced exhibit of four-step overhead process.
- Added formula for computing applied overhead.
- New short discussion of cost-plus pricing.
- Added margin T-accounts and calculations for clarity.
- New Cheat Sheet reinforces chapter content.
- Added new Quick Study.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 16

- NEW opener—**Azucar Ice Cream** and entrepreneurial assignment.
- Revised discussion comparing process and job order costing systems.
- Added cost flow graphic.
- New margin graphic illustrating EUP.
- Revised discussion of weighted-average versus FIFO method of process costing.
- Revised discussion of using a process cost summary.
- New graphic on FIFO goods flow.
- Added margin T-accounts and calculations for clarity.
- New Cheat Sheet reinforces chapter content.
- Added new Exercise.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 17

- NEW opener—**Sycamore Brewing** and entrepreneurial assignment.
- New graphic showing activities for service businesses.
- Added examples to discussion of ABC for service businesses.
- New Cheat Sheet reinforces chapter content.
- Added new Discussion Question.
- Added new Quick Study.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 18

- NEW opener—**Ellis Island Tropical Tea** and entrepreneurial assignment.
- Added margin graphs of fixed, variable, and mixed costs.

- New Excel steps to create a line chart.
- Moved details of creating scatter plot to chapter appendix, with Excel steps.
- Revised discussion of scatter plots.
- Moved details of creating CVP chart to chapter appendix, with Excel steps.
- New Cheat Sheet reinforces chapter content.
- Added new Exercise.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 19

- NEW opener—**Lantern Inn B&B** and entrepreneurial assignment.
- New Cheat Sheet reinforces chapter content.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 20

- NEW opener—**Misfit Juicery** and entrepreneurial assignment.
- Added T-accounts and steps to exhibit margins.
- New numbered steps for several exhibits.
- Expanded discussion of cost of goods sold budgeting.
- New exhibit for calculation of cash paid for interest
- Expanded discussion with bulleted list on use of master budget.
- Added new Quick Study.
- Added new Exercise.
- New assignment on CMA exam budgeting coverage.
- New Cheat Sheet reinforces chapter content.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 21

- NEW opener—**Awary** and entrepreneurial assignment.
- Added graph to flexible budget exhibit.
- Revised discussion of flexible budget.
- New exhibit and discussion of computing total cost variance.
- Edited discussion of direct materials cost variance.
- Edited discussion of evaluating labor variances.
- Edited discussion of overhead variance reports.
- New exhibit for summary of variances.
- Added four new exercises.
- New Cheat Sheet reinforces chapter content.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 22

- NEW opener—**Jibu** and entrepreneurial assignment.
- Updated Walt Disney ROI example.
- New Decision Analysis on cash conversion cycle.
- New Cheat Sheet reinforces chapter content.
- Added two new Quick Studies.
- Added two new Exercises.

- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 23

- NEW opener—**Solugen** and entrepreneurial assignment.
- Organized decision scenarios into three types: Production, capacity, and pricing.
- Expanded discussion of product pricing.
- Added other pricing methods: value-based, auction-based, and dynamic.
- New Decision Analysis on time and materials pricing of services.
- New Decision Insight on blockchain technology.
- New Cheat Sheet reinforces chapter content.
- Added four new Quick Studies.
- Added one new Exercise.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Chapter 24

- NEW opener—**Fellow Robots** and entrepreneurial assignment.
- New discussion of post-audit of investment decisions.
- Added example of investment in robotics.
- New Cheat Sheet reinforces chapter content.
- Added two new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Appendix A

- New financial statements for **Apple**, **Google**, and **Samsung**.

Appendix B

- New Decision Maker on postponed retail pricing.
- Continued Excel demos for PV and FV of lump sums.
- Continued Excel demos for PV and FV of annuities.

Appendix C

- New learning objective P4 for new category of stock investments.
- Revised and simplified Exhibit C.2 for new standard on investments.
- Reorganized text to first explain debt securities and then stock securities.
- Revised trading and available-for-sale securities to cover only debt securities given the new standard.
- New section on stock investments with insignificant influence.
- New Exhibit C.6 to describe accounting for equity securities by ownership level.
- Updated component-returns analysis using **Costco** and **Walmart**.
- New Cheat Sheet reinforces chapter content.
- Added three new Quick Studies.
- Added four new Exercises.
- Added two new Problems.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis

Appendix D

- NEW appendix on Lean Principles and Accounting.
- Describes lean business principles.
- Shows how to use cycle time and cycle efficiency to measure production efficiency.

- Shows how to compute days' sales in work in process inventory.
- Shows how to compute days' sales in accounts payable.
- Illustrates how to account for product costs using lean accounting.
- Cheat Sheet reinforces appendix content.
- New: 13 Discussion Questions, 14 Quick Studies, 14 Exercises, and 3 Problems.

Appendix E*

- Streamlined partnership characteristics and types of organizations.
- Simplified graphic on business entity characteristics.
- Enhanced partnership formation example to emphasize partner investments are recorded at market value.
- Revised Need-To-Know E-1.
- Shortened Partner Withdrawal section.
- New Cheat Sheet reinforces chapter content.
- Added one new Quick Study.
- Added four new Exercises.
- Added new analysis assignments: Company Analysis, Comparative Analysis, and Global Analysis.

Appendix F*

- NEW online appendix on Sustainability in accounting.

Appendix G*

- NEW online appendix on Global accounting practices.

Appendix H*

- NEW online appendix on textual Summary of Learning Objectives.