

**MACQUARIE UNIVERSITY**



**POSTGRADUATE DIPLOMA  
IN ACCOUNTING  
and  
MASTER OF ACCOUNTING**

**UNIT OUTLINE**

**ACCG862 FINANCIAL ACCOUNTING**

**Trimester 1 2009**

**MACQUARIE UNIVERSITY  
FACULTY OF BUSINESS AND ECONOMICS  
ACCG 862 FINANCIAL ACCOUNTING  
UNIT OUTLINE**

**Year and Semester: 2009 Trimester 1**

**Unit convenor: Ms Leisa Henness**

**Prerequisites: ACCG 861 Principles in Accounting**

Students in this unit should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult one of the teaching staff in the unit.

**ABOUT THIS UNIT**

This unit follows on from ACCG861 Principles of Accounting. It examines general purpose financial reporting from the perspective of a single incorporated entity. In doing so, the unit emphasises the development of a conceptual understanding of accounting in addition to instruction in accounting procedures. Topics covered include statutory reporting requirements, accounting standards and the conceptual framework project, cash flow statements, the measurement of non-current assets and liabilities, analysis and interpretation of financial statements.

This course further develops financial accounting concepts, standards, and financial reports as applied to individual corporations. This unit aims to reinforce and extend the financial accounting skills acquired by students in their first unit of introductory financial accounting and provides strong foundations for students to prepare for the final financial accounting subject in the program, ACCG 855 Corporate Accounting.

Whilst the unit is primarily concerned with developing the practical skills of the students, it also aims to develop student abilities and skills such as problem solving, understanding how to evaluate information and communicating oral and written responses in a way that is clear and concise.

## TEACHING STAFF

Unit convenor:	Leisa Henness
Telephone:	0413 809 927 (Business hours only)
E-mail:	lhenness@optusnet.com.au
Lecturer:	Emma Holmes
Telephone:	
E-mail:	
Lecturer:	Nila Latimer
Telephone:	
E-mail:	
Lecturer:	David Silipo
Telephone:	
E-mail:	
Lecturer:	Katarina Djukic
Telephone:	
E-mail:	
Lecturer:	Ami Lapidot (Business hours only)
Telephone:	
E-mail:	

### **Student Consultation Hours**

Consultation is provided in relation to any question about the course content or any related issues. You can initiate consultation by emailing the lecturer of your class. If the issue cannot be resolved via email the lecturer will arrange for an appointment with you if required at an agreed time.

Any questions regarding the course itself or other non-content related issues including queries relating to assessments and examinations and requests for extension of assignments should be directed to the Unit Convenor via the email address above.

All queries relating to assessments and examinations, requests for extensions of assignment etc should also be directed to the Unit Convenor, via the e-mail address above.

Please note that all applications for Special Consideration (including in advance of designated assessment tasks) are required to be submitted to the Master of Accounting office, E4A Level 2 Reception. A copy of any such requests will be forwarded to the Unit Convenor.

## CLASSES

This unit offers classes as follows:

Monday 3pm- 6pm	C4A 318	Emma Holmes
Tuesday 9am- 12 noon	C5A 304	Emma Holmes
Tuesday 6-9pm	C5A 304	Nila Latimer
Wednesday 12 noon- 3pm	C5A 304	Katarina Djukic
Wednesday 3pm- 6pm	C4A 315	Leisa Henness
Friday 12 noon- 3pm	C5A 304	David Silipo
Friday 6pm -9pm	C5A 304	Ami Lapidot

Each student must attend a 1 x 3 hour combined tutorial/lecture each week at the class time for which they have registered. **Students MUST ONLY attend the class for which they have registered.** An attendance record will be kept by your lecturer.

You MUST only attend one class per week and you cannot attend two classes in any week.

The timetable for classes can be found on the University web site at: [http://www.accg.mq.edu.au/Accg\\_docs/pdf/postgraduate\\_coursework/pgttclass.pdf](http://www.accg.mq.edu.au/Accg_docs/pdf/postgraduate_coursework/pgttclass.pdf)

## REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Leo, K., Hoggett, J., Sweeting, J and Radford J., (2009) **Company Accounting, 8<sup>th</sup> edition**, John Wiley & Sons.

This book is available from the Co-Op Bookshop, please note this book has **changed from last trimester, which used the 7<sup>th</sup> Edition.**

**Other prescribed material can be downloaded from the relevant websites:**

**ACCG862 Trimester 1, 2009 Lecture Notes and Lecture Examples** (REQUIRED PRIOR TO CLASS EACH WEEK). These notes will all be available prior to the lecture and should be downloaded each week before class from the unit web page : <http://learn.mq.edu.au>

**Australian Accounting Standards Board (AASB) Standards**, which can be viewed or downloaded from the AASB website at [www.aasb.com.au](http://www.aasb.com.au).

**Deegan, C. (2005) Australian Financial Accounting 4th ed, McGraw-Hill Chapter 31:** Accounting for Foreign Currency Transactions: pp. 1038 - 1048 & 1073 – 1078 (REQUIRED FOR TOPIC 11) and will be made available on the unit web page: <http://learn.mq.edu.au>

## UNIT WEB PAGE

The web page for this unit can be found at: <http://learn.mq.edu.au>

## LEARNING OBJECTIVES AND OUTCOMES

The course seeks to develop understanding and technical skills in the following areas:

- Nature and regulation of companies.
- Financing a Company including accounting for share capital and debentures.
- Accounting for company operations and main elements of financial statements, including assets, liabilities, equity, income and expenses.
- Accounting for income tax.
- Accounting for non-current assets, including property, plant and equipment, intangibles, impairment of assets and business combinations (including identification and accounting of goodwill and excess on acquisition).
- Preparation of the Statement of financial position, statement of comprehensive income, statement of changes in equity and notes to the financial statements.
- Accounting for leases.
- Preparation of cash flow statement and related notes.
- Accounting for foreign currency transactions and balances.

Whilst the unit is primarily concerned with developing the practical skills of the students, it also aims to develop student abilities and skills such as problem solving, understanding how to evaluate information and communicating oral and written responses in a way that is clear and concise.

## TEACHING AND LEARNING STRATEGY

Each session will involve a tutorial section of up to 1 to 1.25 hours to discuss the previous week's assigned homework questions and work through an In-class focus question and address any issues from the previous week's material. The session will then continue with a lecture on the current week's topic.

The in-class focus question is a question covering some of the main or more difficult aspects of the topic. It is required to be completed as part of the assigned homework for the topic but will not be included in the solutions released on the unit web page. This question will be worked through in class as part of the tutorial. It is important to note that solutions for the in-class question(s), will not be released, the only time the solution will be seen for these questions is in class.

The lecture will usually include a 1.5 – 2 hour presentation of the main concepts and content and a demonstration of practical example(s). A short break will be given during the three hour period at the discretion of the lecturer.

Students are advised to read the prescribed course notes and chapter(s) in the textbook **prior to** attending each session in order to gain maximum benefit from the course (refer to page 15 of unit outline). Before the following week's class, students are required to genuinely attempt the assigned homework for the topic, consisting of discussion questions, practical exercises and problems.

The tutorial session provides an opportunity to discuss the solutions to selected weekly homework questions and to have any problems or difficulties explained. In addition the in-class focus question will be worked through to demonstrate the logical steps and processes involved. The in-class focus question **MUST** also be attempted before class.

## Online Learning @ MQ

### Homework Solutions and Lecture Materials and Announcements

- All homework solutions (**except for the in class focus question**) will be available on the unit web page, <http://learn.mq.edu.au> before the tutorial is to be discussed the following week in class.
- The homework solutions will usually be available the Thursday (7am) the week before the tutorial homework is due. The in-class focus question will only be discussed and worked through in class and solutions will **not** be available on the unit web page and copies will not be made available via soft copy.
- A number of self study questions will be set for each topic. These questions are designed to give students additional questions to attempt to assist in the understanding of each topic. These questions are not compulsory (however students are strongly encouraged to genuinely attempt these questions to gain the maximum benefit) and can be attempted/reviewed at any time.
- The self study solutions for all topics will be made available prior to the week commencing the lecture topic; you can access/download these solutions at any time you chose to attempt the additional questions for practice. These questions and solutions will not be specifically addressed in class, should you have any queries you should ask your lecturer or send an email to Leisa Hennes- [lhennes@optusnet.com.au](mailto:lhennes@optusnet.com.au) to answer any queries.
- The lecture materials provided on the unit web page will have some gaps for which you are required to complete in class, in particular for the practical aspect of the course. Completed lecture notes will **not** be made available even if you miss a class, unless you contact the Unit Convenor.
- Any important notices will be posted on the unit web page for ACCG 862 under the Announcements Folder. It is your responsibility to check this folder and your student email account on a regular basis to ensure you are aware of any information which may be posted by the Unit Convenor, Program Director or Academic Coordinator during the course of the trimester.

### Communication skills

To assist students in developing their communication skills a two hour session will be run during normal class time by a representative from Centre for Macquarie English (CME) in classes during the week commencing **23rd February, 2009**. This session will focus on professional letter writing. The session will be interactive and attendance is **compulsory** for all students. Material covered in this session will be examined in the assignment and examinations for this subject.

## RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

Different assessment tasks as listed below will be used in achieving the all overall objectives of this course, including assessment of technical competence in outcomes of the units and enhancing communication (both oral and written) and problem solving skills.

### **Assessment**

The assessment for the unit will consist of the following components:

(a) Multiple Choice/ Short Answer Test	15%
(b) Mid Trimester Examination	30%
(c) Written Assignment	15 %
(d) Final Examination	<u>40%</u>
	<u>100 %</u>

#### **(a) Multiple Choice/Short Answer Test (15%)**

During Week 5 (covering Topics 1-4), Week 9 (covering Topics 7 & 8) and Week 11 (covering Topics 9 & 10) during normal lecture times, 20 minute multiple Choice/ Short Answer Type/style of test will be conducted. Each test will account for 5% of your overall assessment. The tests are designed to give you timely feedback to identify any particular learning challenges or areas of difficulty so they can be addressed prior to the mid trimester and final examinations. The tests will be conducted under closed book examination conditions.

#### **(b) Mid Trimester Examination (30%)**

**Date: Saturday, 28<sup>th</sup> February, 2009**

**Time and location to be announced closer to exam**

The mid trimester examination will be a two hour exam. This examination will examine material covered in Topics 1 to 5. Further details of the format of the mid-trimester exam will be provided closer to the date of the exam. These details will also be posted on the unit web page under the announcements folder. Seating allocation and exam timetables are available in Week 4 of the trimester on the MACC website.

(c) **Written Assignment** (15%)

**Due: All assignments will be due Week 8: Friday, 13<sup>th</sup> March by 6pm at Assignment Box at ERIC for ALL students.**

**Required:**

Draft a business letter giving advice in response to a number of questions and misunderstandings with regards to financial accounting concepts, procedures or reporting requirements. Length 1000- 1200 words.

You will be required to hand in **TWO (2)** copies of your in the Assignment Box at ERIC, clearly marked COPY ONE and COPY TWO. All copies MUST have the originality report attached. If this report is NOT attached to all copies marks will be deducted for not following instructions, as markers will not be able to refer to these copies whilst marking.

- Technical component – to be marked out of 10 by lecturers for this subject.
- Letter writing skills – to be marked out of 5 by a representative from Centre for Macquarie English (CME).

A 10% penalty per day (or part thereof) will be imposed on an assignment not handed in to the lecturer at the commencement of class on the day that it is due.

As in prior trimesters all ACCG862 students will be required to submit assignments electronically to the Turnitin website.

Turnitin is an internet database that identifies papers containing unoriginal material. Detailed instructions on how to register for and use of the Turnitin website will be available on Blackboard before the assignment is released to students.

Students are expected to use the Harvard Style of Referencing. This will be addressed in your normal lecture time in Week 6, commencing 23<sup>rd</sup> of February to be conducted by Centre for Macquarie English (CME) representative and handouts will be made available in this week.

**Assignment Submission Requirements**

When submitting assignments for ACCG862 students must complete all the steps below:

1. **Submit your assignment to Turnitin:** when you submit your assignment the Turnitin website will produce an **Originality Report**. You must print the **Originality Report** and hand it in with your assignment by the due date as instructed by your lecturer.
2. **A Cover Sheet** must be attached to the front of your assignment when submitted in hard copy. The cover sheet must be signed and dated. Soft copies of the Assignment Coversheets can be downloaded from [http://www.efs.mq.edu.au/students\\_support/eric](http://www.efs.mq.edu.au/students_support/eric).

(c) **Written Assignment** (15%) continued

**Important Information**

**Class ID: 2541020**  
**Enrolment Password: ACCG862**

**You will need the above Class ID and Enrolment Password when you register and create your user profile in Turnitin or when you add the class to your existing Turnitin user profile.**

If you have already used Turnitin in a previous trimester, you can add a new class to your current user profile, you do not need to create a new one. For instructions on how to enrol in a new class by adding it to your current user profile please refer to section 3 "Enrolling in a new Class" of your Turnitin Student User Guide available on the unit web page.

**PENALTIES WILL APPLY TO STUDENTS WHO FAIL TO FOLLOW THESE INSTRUCTIONS. IT IS THE STUDENT'S RESPONSIBILITY TO COMPLETE THESE REQUIREMENTS.**

**A separate assignment task sheet with the details of the assignment will be available on the unit web page in Week 4 of the trimester.**

(d) **Final Examination** (40%)

The final three hour exam for this unit will be held during the final examination period for Trimester 1 2009 which is held in the exam week commencing 14th April, 2009. Time and location will be available closer to the exam week.

Topics examined in the mid-trimester will **NOT** be re-examined in the final exam. More details as to the format of the exam will be made available closer to the date and will also be made available on the unit web page. This is the only source of information about the final examination.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Week 10 of the trimester on the MACC website. Refer to the following website for further information : <http://www.accg.mq.edu.au/postgraduate/quicklinks>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at <http://www.reg.mq.edu.au/Forms/APSCon.pdf>

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching trimester, that is the final day of the official examination period.

## DETERMINATION OF OVERALL GRADE

Your final grade and SNG mark for the unit will take into account your overall performance (in total) **and** your individual performance in the combined mid trimester and final exams.

- To be eligible to pass the unit it is necessary to obtain **a pass in the combined mid trimester and final exams and pass overall.**
- In addition to the above requirement, you must also perform **satisfactorily in both parts A and B of the final paper**, Part A will consist of more theory parts of the course whilst Part B will consist of more practical application of the course (more details will be provided to you closer to the exam).

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

Your raw mark (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit. The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another also receives a higher final scaled mark.

For an explanation of the policy see  
<http://senate.mq.edu.au/rules/detailedguidelines.doc>

## WAYS TO ENHANCE YOUR CHANCE OF SUCCESS IN THIS UNIT

During 2007 the Master of Accounting program engaged in a significant research project that was designed to investigate and find ways to enhance student participation in the classroom.

**Students** who were interviewed during the research project stated that participating in classroom discussions, answering lecturer's questions and engaging in meaningful discussion with colleagues when directed by the lecturer:

1. assists them in retaining information and maintaining interest and concentration
2. allows them to clarify or check their understanding
3. provides opportunities to enhance and reinforce knowledge and learn from other students
4. improves their English proficiency
5. supports their development of communication skills
6. develops skills needed in professional practice

**Lecturers** expect students to participate in class as it:

1. provides opportunities for students to review or clarify lecture content and benefit from the experience of other students
2. assists students to think about concepts and test whether their understanding is correct
3. develops confidence in speaking
4. provides opportunities to think in a different way

The research concluded that the benefits of participation include:

- enhancing the learning process
- meeting lecturers' expectations of students
- helping to increase communication skills.

## PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

### CHEATING AND PLAGIARISM

To cheat in the context of university assignments, tests and examinations is to attempt to gain an unfair advantage by violating the principles of intellectual and scholarly integrity. Cheating also encompasses plagiarism, which is the appropriation or imitation of another person's ideas and manner of expressing them.

### WHAT IS CHEATING?

You will be guilty of cheating if you do any of the following:

- 1. Copy from another student during a test or examination. This is cheating whether or not there is collusion between the students involved. Collusion with another student who wishes to cheat from you exposes both parties to penalties under University Regulations.**
2. Use or paraphrase the work of others, including any document, audio-visual or computer-based material, when preparing an assignment or writing an examination, and pretend it is your own work by not acknowledging where it came from.
3. Copy from another student's coursework whether that copying is with or without the knowledge of that student. This includes:
  - copying all or part of someone else's assignment
  - allowing someone else to copy all or part of your assignment
  - providing your assignment (or other materials for an assignment) to another student
  - having someone else do all or part of an assignment for you
  - doing all or part of someone else's assignment for them.
- 4. Make up data and fabricate results in research assignments.**
5. Impersonate someone else in an examination or test, or arrange such impersonation.
6. Use forbidden material in a test or examination, whether in printed or electronic form. For example, attempting to use a non-standard calculator in a restricted calculator examination.

### WHY IS IT WRONG?

If you take and use the work of another person without clearly stating or acknowledging your source, you are falsely claiming that material as your own work and committing an act of plagiarism. This is wrong because it:

- violates the principle of intellectual and scholarly integrity;
- devalues the grades and qualifications gained legitimately by other students; and
- fails to allow you demonstrate your own understanding of the material.

## PLAGIARISM ( CONTINUED)

### PREVENTING CHEATING

All students and staff have a responsibility to prevent, discourage and report cheating.

Typically students cheat because they are having difficulty with the unit content, the language of the unit, or both. Cheating and/or plagiarism can be a temptation when students are experiencing difficulty with a heavy workload in the unit and seek to save time by using others' work.

To avoid having students resort to cheating, the University provides many services to help students with their course or to make thoughtful decisions about whether to continue. Within the Division of Economic and Financial Studies, students should first seek assistance from their lecturer. Staff at the Centre for Macquarie English (CME) are also an excellent resource for plagiarism questions and language issues. The University also offers help through the Dean of Students or the University Health and Counseling Services.

There is a difference between getting help and cheating. You are encouraged to get help if you need assistance to understand the material and any set work so that you are in a better position to create your own answers. You might also want to have group discussions with your colleagues to debate the different issues surrounding a form of assessment. However the work you submit for your assessment must be in your own words and must not be those of another person.

### HOW TO PLAY SAFE

To maintain good academic practice, so that you may be given credit for your own efforts, and so that your own contribution can be properly appreciated and evaluated, you should acknowledge your sources and you should **ALWAYS**:

- (i) State clearly in the appropriate form where you found the material on which you have based your work, using the system of reference specified by the Division in which your assignment was set;
- (ii) Acknowledge the people whose concepts, experiments or results you have extracted, developed or summarised, even if you put these ideas into your own words;
- (iii) Avoid excessive copying of passages by another author, even where the source is acknowledged. Find another form of words to show that you have thought about the material and understood it, but remember to state clearly where you found the ideas.

There is nothing wrong with working with other students in a group; indeed sometimes you will be encouraged to do so. But after a certain point, each student must work on their own to produce their own written answers. If no specific guidelines for group-work have been given, a reasonable interpretation is that it is acceptable for two or more students to discuss a problem among themselves or with a staff member. The group may then agree that the answer should include certain points. But then each member of the group must independently write their own answer to the problem.

## **PLAGIARISM ( CONTINUED)**

### PENALTIES

Offences of plagiarism will attract penalties which at a minimum, will result in the deduction of marks for the test and/or assignment, to ultimately a failure in the unit and reference to the University Discipline Committee. The penalty will depend upon the extent of the plagiarism, whether it is a first or repeated offence, whether there is evidence of deliberate deceit and whether advantage has been taken of another student. In some cases this can result in the suspension of the student from enrolment in the university. In all cases however, a record of any offence and/or incident, along with correspondence, will be placed permanently on the students' individual record file held at the university.

## **STUDENT SUPPORT SERVICES**

Macquarie University provides a range of Academic Student Support Services. Details of these services can accessed at <http://www.student.mq.edu.au>.

## Topic and Reference Outline

Week Commencing	Topic	References
1. 19th January	1. Nature and regulation of companies	<ul style="list-style-type: none"> <li>○ Text, Ch. 1, pp. 1-29</li> </ul>
2. 26th January	2. Financing Company Operations - Accounting for share capital and debentures	<ul style="list-style-type: none"> <li>○ Text, Ch. 2, pp. 32-51 ( excluding redeemable preference shares)</li> <li>○ Text Ch.2 pp. 60- 69</li> </ul>
3. 2 February	3. Accounting for company operations- including the elements of financial statements	<ul style="list-style-type: none"> <li>○ Text, Ch. 3, pp. 84-126</li> <li>○ AASB, -“Framework for the Preparation and Presentation of Financial Statements”</li> </ul>
4. 9th February	4. Accounting for income tax	<ul style="list-style-type: none"> <li>○ Text, Ch. 4, pp.138-177</li> <li>○ Main features of AASB 112</li> </ul>
5. 16th February	5 Accounting for non-current assets (Property, Plant & Equipment and Intangible Assets)	<ul style="list-style-type: none"> <li>➤ Text, Ch. 5, pp.190-232</li> <li>➤ Standards – main features of AASB 116</li> <li>○ Text, Ch. 7, pp.303-335 (excluding section 7.6)</li> </ul>
6 23rd February	<b>6.CME Session – Communication skills</b> <b><u>Mid-Trimester Test - Saturday 28<sup>th</sup> February, 2009</u></b>	<ul style="list-style-type: none"> <li>➤ CME workbook – Business Letter Writing -( this will be available on the unit web page- to be downloaded prior to class)</li> </ul>
7. 2nd March	7 Accounting for non-current assets (Impairment of non-current assets and Business combinations )	<ul style="list-style-type: none"> <li>➤ Text, Ch. 8, pp.347-373; and pp.377-393 ( specifically EXCLUDES accounting in the books of the acquiree)</li> <li>➤ Text, Ch. 9, pp. 410-449 Main features of AASB 3, AASB136 and AASB 138</li> </ul>
8. 9th March	8. Preparation and Presentation of company financial statements  <b>All assignments due Fri 13<sup>th</sup> March, 2009 6pm at ERIC</b>	<ul style="list-style-type: none"> <li>➤ Text, Ch.10, pp.462- 498</li> <li>➤ Text, Ch.11, pp.509-553</li> <li>○ Standards – main features of AASB 101/ AASB 108</li> </ul>
9. 16th March	9. Cash Flow Statements	<ul style="list-style-type: none"> <li>○ Text, Ch.13, pp 601-645</li> <li>○ Main features of AASB 107</li> </ul>
10. 23rd March	10. Accounting for Leases	<ul style="list-style-type: none"> <li>➤ Text, Ch 6. pp. 247-293</li> <li>➤ Standards – main features of AASB 117</li> </ul>
11. 31st March	11. Foreign currency transactions	<ul style="list-style-type: none"> <li>➤ Deegan, C, (Ch. 31) , pp. 1037 - 1048</li> <li>○ Main features of AASB 121 &amp; qualifying assets in AASB 123</li> </ul>
12. 7th April	No scheduled classes/ private study or catch up if required by lecturer	

**Note : Week 2 – Monday 26 January is a public holiday- students will need to attend an alternative class this week**