

MACQUARIE  
UNIVERSITY



FACULTY OF  
BUSINESS AND ECONOMICS

ACCG872  
Advanced Financial Reporting

Semester 2, 2011

*Department of Accounting  
& Corporate Governance*

**MACQUARIE UNIVERSITY  
FACULTY OF BUSINESS AND ECONOMICS  
UNIT OUTLINE**

<b>Year and Semester:</b>	Semester 2, 2010
<b>Joint unit convenors:</b>	Keith Reilly Brian Millanta
<b>Prerequisites:</b>	ACCG612 or admission to MCom or MIB or MEc or MActPrac prior to 2011
<b>Credit points:</b>	4

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 the teaching staff in the unit.

**ABOUT THIS UNIT**

This unit provides an in-depth examination of the corporate reporting and governance framework in Australia. In particular, it examines the role of institutions that influence the timing and content of financial reporting in Australia, as well as the financial reporting obligations imposed by the Australian Corporations Act 2001(Cth). The role of corporate governance is a particular focus of the unit, and the Australian Stock Exchange's Corporate Governance Principles (2010) will be considered in detail. Finally, a number of important Australian/International accounting standards dealing with disclosure will be reviewed.

**TEACHING STAFF**

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**CONSULTATION TIMES**

The unit convenors are available for consultation during teaching weeks at the following times:

Keith Reilly - Monday from 1.30 pm to 2 pm and from 5 pm to 5.30 pm in E4B-316  
Brian Millanta - Wednesday 10 am to 11 am.

You are encouraged to seek help during the above hours. In special circumstances, an appointment may be made outside regular consultation hours. In order to gain access to level 3 of building E4A during consultation hours please ring the staff member from the phones available in the lobby of E4A and in the lift area on each floor. If calling from those phones, you need dial only the last four digits.

You may telephone the unit convenors during their specified consultation hours. Students experiencing significant difficulties with any topic in the unit must seek assistance immediately. Questions regarding weekly assignments may be emailed to the unit convenor

who conducted the class to which the assignment relates, provided that they are emailed from your University student email address. Emails from other email addresses will not be answered.

## **CLASSES**

The unit requires 3 hours of face-to-face teaching per week (Monday from 2 pm to 5 pm).

The timetable for classes can be found on the University web site at:

<http://www.timetables.mq.edu.au/>

## **PRIZES**

Details of prizes awarded by the Faculty of Business and Economics are available at:

[http://www.businessandconomics.mq.edu.au/undergraduate\\_degrees/prizes\\_scholarships](http://www.businessandconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships)

## **REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS**

The textbook for this unit is:

Picker, Leo, Loftus, Clark and Wise, *Australian Accounting Standards*, 2<sup>nd</sup> Edition, 2009

Copies of the text are available in the reserve section of the library.

## **TECHNOLOGY USED AND REQUIRED**

Students require access to the internet. Materials and announcements will be posted to the unit's Blackboard web page.

## **UNIT WEB PAGE**

The Blackboard web page for this unit is accessible at <http://learn.mq.edu.au>

## **LEARNING OUTCOMES**

The learning outcomes of this unit are to gain:

1. An understanding of the role played by the principal bodies involved in regulating financial reporting in Australia;
2. An appreciation of the financial reporting obligations imposed by the Corporations Act 2001 (Cth);
3. A general understanding of the role of corporate governance, and a detailed appreciation of the recommendations in the Australian Stock Exchange's Corporate Governance Principles and Recommendations;
4. An ability to evaluate the corporate governance measures employed by a company;
5. An appreciation of role and content of a number of Australian accounting standards that affect the form and content of Corporate financial reports;
6. Generic skills such as the ability to work independently, to think critically and to develop discussion skills.

## GRADUATE CAPABILITIES

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world. This unit contributes to this by developing the following graduate capabilities:

Learning Outcome	1	2	3	4	5	6
1. Discipline Specific Knowledge and Skills	✓	✓	✓	✓	✓	
2. Critical, Analytical and Integrative Thinking	✓		✓	✓	✓	
3. Problem Solving and Research Capability				✓		
4. Creative and Innovative	✓			✓		✓
5. Effective Communication	✓	✓	✓	✓	✓	
6. Capable of Professional & Personal Judgement & Initiative	✓		✓	✓	✓	✓

## TEACHING AND LEARNING STRATEGY

Classes are conducted in two parts. The first part (usually 1 hour and 45 minutes) will consist of a lecture and discussion of the topic for that week. The final hour is devoted to considering the assignment completed over the preceding week. A 15-minute break will be taken at a convenient time during the session.

Prior to each seminar, students are required to work through the assigned readings and to prepare answers to all questions in the weekly assignment. Assignment answers are required to be **typed**. Students are expected to come to class ready to discuss their answers and may be called upon to present their answers to the class. All students are expected to contribute to class discussions and are encouraged to raise any questions which they have about the weekly topics during the seminar.

## RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

Marks are allocated as follows:

	<b><u>Marks</u></b>
Diagnostic Quiz (week 4)	5
Class Presentation	5
Weekly Assignments	10
Mid-semester examination	20
Final examination	<u>60</u>
<b>TOTAL</b>	<b><u>100</u></b>

### **IT IS IMPORTANT THAT YOU NOTE THE FOLLOWING:**

*IRRESPECTIVE OF THE TOTAL MARKS ACCULUMATED, TO ACHIEVE A PASS IN THIS UNIT YOU MUST ALSO PASS THE FINAL EXAMINATION. THIS REQUIREMENT WILL BE STRICTLY ENFORCED.*

### **I. WEEKLY ASSIGNMENTS (10%)**

During the semester, five of your weekly assignments will be collected for the purpose of assessing whether or not you are making sufficient effort in preparing answers to assignment questions. No advance notice will be given that a particular weekly assignment will be collected. It is only possible to submit your assignment in the session in which the assignment is due. If you do not attend and that week's assignment is collected, the marks for that assignment are automatically forfeited.

This part of the assessment is worth 10%. The following grading system will apply:

- An assignment deemed by the tutor to be satisfactory (i.e. where all questions have been satisfactorily attempted, with a “satisfactory attempt” meaning a genuine attempt to **fully** answer all questions) will be graded as “S” (satisfactory) and will earn 2 marks.
- An assignment deemed by the tutor to be incomplete (i.e. a small number of the questions have not been attempted or not fully answered but a genuine attempt has been made to fully answer the other questions) will be graded as “I” (incomplete) and will earn 1 mark.
- An assignment deemed by the tutor to be unsatisfactory (i.e. not assessed as falling within the other two categories) will be graded as “U” (unsatisfactory) which earns 0 marks.

Weekly assignments must be word-processed (typed). Under no circumstances will **hand-written assignments** be accepted. In addition, your student number must appear in the top right-hand corner of each page of the assignment.

## **II. DIAGNOSTIC QUIZ (5%)**

A short quiz will be held in class in week 4 and will relate to the topics covered up to and including week 3. The quiz will be used as a low risk diagnostic task intended to identify students who are having difficulty with the unit content. Students with unsatisfactory performance in the quiz will be identified and asked to consult the unit convenor about ways to improve their performance.

## **III. CLASS PRESENTATION (5%)**

During the semester, each student will be allocated an assignment question and will be required to present their answer to the class. The presentation will be graded out of 5 marks. Marks will be determined based on both the technical correctness of the answer and on the quality of the presentation.

## **IV. MID-SEMESTER EXAMINATION (20%)**

A mid-semester examination will be held during the class on Monday 12 September 2011. All topics up to and including the topic for the class of 5 September 2010 are examinable. Further information regarding the format of the mid-semester exam will be provided in class.

There will be no supplementary mid-semester examination. Therefore, absence from the mid-semester examination will, upon receipt of adequate documentation of misadventure or illness, increase the weighting on the final examination to 80%. You must lodge an Advice of Absence form with the Student Centre within 7 days after the mid-semester exam and you must provide documentary evidence (e.g. medical certificate) to support your absence. Advice of Absence forms lodged more than 7 days after the mid-semester examination will NOT be accepted. Students approved for a final examination weighting of 80% will be posted on the unit webpage. Feedback on students’ performance will be provided by providing an opportunity for students to review their paper and discuss their performance with the unit convenor.

## **V. FINAL EXAMINATION (60%)**

A final examination is included as an assessment task for this unit to provide assurance that:

- i) the product belongs to the student, and

- ii) the student has attained the knowledge and skills tested in the exam.

The final examination for this unit will be held during the University Examination period. The University Examination period in second semester 2011 is from 14 November to 2 December. More information about the final examination will be provided later in the semester.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable: <http://www.exams.mq.edu.au/>  
The timetable will be available in draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

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. The University's policy on special consideration process is available at: [http://www.mq.edu.au/policy/docs/special\\_consideration/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period.

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at: <http://www.mq.edu.au/policy/docs/examination/policy.htm>

The following table sets out a link between the learning outcomes and graduate capabilities provided earlier in this unit outline and the assessment tasks detailed above:

<b>Name and weighting</b>	<b>Weekly Assignments (10%)</b>	<b>Class Presentation (5%)</b>	<b>Class Quiz (5%)</b>	<b>Mid-semester examination (20%)</b>	<b>Final Examination (60%)</b>
<b>Description</b>	5 weekly assignments collected to gauge students' learning efforts	Students allocated question for presentation to class	Diagnostic tool	All topics to and including week 6 are examinable	All topics considered in course are examinable
<b>Due Date</b>	5 collected throughout semester – no prior notice to be given	Starting from week 3	Week 4 - (22August)	Week 7 - (12 September)	End-of-semester examination period
<b>Grading method</b>	Based on completeness	Based on correctness and quality of presentation	Based on correctness	In accordance with the marking criteria	In accordance with the marking criteria
<b>Estimated student workload</b>	60 hours (5 hours/week)	1 hour	8 hours preparation	20 hours	46 hours

Name and weighting	Weekly Assignments (10%)	Class Presentation (5%)	Class Quiz (5%)	Mid-semester examination (20%)	Final Examination (60%)
<b>Learning outcomes assessed</b>					
1	X	X	X	X	X
2	X	X	X	X	X
3	X	X	X	X	X
4	X	X			
5	X	X	X	X	X
6	X	X			
<b>Graduate capabilities assessed</b>					
1	X	X	X	X	X
2	X			X	X
3	X	X		X	X
4	X	X			
5	X	X	X	X	X
6		X			

## ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at [http://www.mq.edu.au/policy/docs/academic\\_honesty/policy.html](http://www.mq.edu.au/policy/docs/academic_honesty/policy.html)

## GRADES

Macquarie University uses the following grades in coursework units of study:

HD –High Distinction

D – Distinction

CR – Credit

P – Pass

F – Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

<http://www.mq.edu.au/policy/docs/grading/policy.html>

All final grades in the Department of Accounting and Corporate Governance are determined by a grading committee and are not the sole responsibility of the Unit Coordinator.

Students will be awarded one of these grades plus a Standardised Numerical Grade (SNG). The SNG is not necessarily a summation of the individual assessment components.

The final grade and SNG that are awarded reflect the corresponding grade descriptor in the Grading Policy.

In addition, there is a requirement to pass the final examination to be awarded a final grade of a Pass or a higher grade.

#### **GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING**

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

[http://www.businessandeconomics.mq.edu.au/new\\_and\\_current\\_students/undergraduate/how\\_do\\_i\\_grade\\_appeals](http://www.businessandeconomics.mq.edu.au/new_and_current_students/undergraduate/how_do_i_grade_appeals)

#### **SPECIAL CONSIDERATION**

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at:

[http://www.mq.edu.au/policy/docs/special\\_consideration/procedure.html](http://www.mq.edu.au/policy/docs/special_consideration/procedure.html)

#### **STUDENT SUPPORT SERVICES**

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

#### **IT CONDITIONS OF USE**

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.



- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

## UNIT TIMETABLE

WEEK	DATE	TOPIC
1	1 August	Introduction to the course; Introduction to the Australian reporting framework
2	8 August	Australian reporting framework – institutions and roles
3	15 August	Financial reporting requirements of the Corporations Act 2001 (Cth)
4	22 August	Overview of Corporate Governance
5	29 August	ASX Corporate Governance Principles – <i>part 1</i>
6	5 September	ASX Corporate Governance Principles – <i>part 2</i>
7	12 September	Differential Application of Accounting Standards <ul style="list-style-type: none"> <li>- Reporting v Non-reporting entities;</li> <li>- Applications of tiers (AASB1053);</li> <li>- IFRS for small &amp; medium enterprises (SMEs);</li> <li>- Not-for-profit entities (NFPs);</li> </ul> <p style="text-align: center;"><b>Mid-semester exam</b></p>
<b>Mid-semester break (19 September to 30 September)</b>		
8	3 October	Public Holiday – No class
9	10 October	Global convergence of accounting standards
10	17 October	AASB101/IAS1: Presentation of Financial Statements
11	24 October	AASB118/IAS8: Revenues
12	31 October	AASB110/IAS10: Events after the reporting period
13	7 November	Revision and examination information and advice