

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

ACCG 224 Intermediate Financial Accounting

Unit Outline Semester 2, 2010

Department of Accounting and Finance

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

Year and Semester: Semester 2, 2010

Unit convenor: Sunil J. Dahanayake

Prerequisite: ACCG101-Accounting 1B

Credit points: ACCG224 is a 3 credit point unit.

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

- ACCG 224 is a core unit that aims to provide students with an intermediate level of coverage of the principles and concepts relating to financial reporting. The unit builds on introductory accounting knowledge, exploring issues in greater depth and challenging you to question the foundations of financial accounting. You will explore specific financial reporting procedures and their conceptual foundations. Topics studies include conceptual and regulatory framework in accounting, corporate collapses, creative accounting and other interesting contexts that are used to equip students with an understanding of the importance of reliable financial statements and impact of accounting policy choices, reporting of non-financial information and the theory and practice of professional judgment in accounting. This unit seeks to develop graduate capabilities centred upon effective communication and higher order analysis and critical thinking using a range of academic and professional research.
- ACCG 224 is a 3 credit point unit. The workload in this unit demands that you should be able to devote a minimum of 8 hours of study time per week to the unit.
- This unit is a key part of the accounting degree. This unit is relevant to your undertaking either accounting or finance programs. Professionals in accounting and finance need technical knowledge, the ability to critically analyse programs and good communication skills. This unit aims to improve skills across these dimensions.
- ACCG 224 is an excellent preparatory unit for further study in advanced accounting including ACCG 308 and ACCG 325. This unit provides a bridge between the highly simplified accounting context assumed in introductory financial reporting courses and

complex accounting standard and procedures required to be mastered to successfully complete final year accounting degree subject units.

TEACHING STAFF

<i>Unit Convenor</i>	<i>Room</i>	<i>Telephone</i>	<i>Email</i>
Sunil J. Dahanayake	E4A 522	9850 1812	accg224@.mq.edu.au
<i>Deputy Unit Coordinator</i>			
Rajni Mala	E4A 218 B	9850 2188	accg224@.mq.edu.au
<i>Other Teaching Staff</i>			
<i>Sessional Staff</i>	Details on Unit website (Blackboard)		

CONSULTATION TIMES

You will be notified of staff consultation hours during the first tutorial in week 2. The consultation timetable will also be made available in the unit's website. Full-time members of staff will be available for two hours per week to conduct consultations on a drop-in basis. Sessional staff members may also be available for consultation.

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. Please note that staff will only answer emails sent from official Macquarie University email accounts. You may, however, phone staff during their consultation hours.

In order to gain access to staff located at levels 1, 2 and 3 of building E4A during their consultation hours please ring the staff member from the phones available in the lobby (phone numbers of relevant staff members will be provided on Blackboard and are available next to the phones).

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

CLASSES

Classes in ACCG224 are composed of lectures and tutorials. The structure of the unit is a weekly two hour lecture and a weekly one hour small group tutorial. The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/>.

Unit materials are learnt by attending lectures and tutorials and through independent learning. The lectures provide a general overview of the topics highlighting a number of concepts and techniques. The tutorials complement lectures by providing opportunities to further explore all relevant concepts and techniques.

LECTURES

You should attend the two-hour lecture every week. Lecture slides will be available prior to the lectures, the Friday of the week before the lectures, at the unit's Web site.

The time table for lectures are as follows:

Class Number	Time	Day	Location
1	17.00 to 19.00 p.m.	Tuesday	X5B T 1
2	16.00 to 18.00 p.m.	Thursday	E7B Mason
3	18.00 to 20.00 p.m.	Thursday	X5B T1
4.	14.00 to 16.00 p.m.	Friday	E7B T5

TUTORIALS

You must register for a tutorial. There will be a one-hour tutorial each week from weeks 2 to 13. **You must finalise your tutorial enrolment by end of Week 3.**

Due to the large number of students enrolled in ACCG224 changes to lecture and tutorial times are managed by the on-line enrolment system. It is not necessary to contact members of staff about tutorial changes. On-line enrolment changes to tutorials will be shut down at the end of **week three (3)**, so all changes must be made by then.

The timetable for classes for ACCG224 is on the University web site at: <http://www.timetables.mq.edu.au/>. It is also an assessment requirement that you attend at least 10 of the 12 tutorials in this unit. Tutorials provide an opportunity for you to earn marks towards participation.

PRIZES

The KPMG Accounting Academic prize is awarded for the best student in ACCG224-Intermediate Financial Accounting unit. The information is available at the following web page;

http://www.businessandeconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships

REQUIRED TEXTS

Intermediate Financial Accounting: Prepared by Elaine Evans, Custom Publication for Macquarie University, John Wiley & Sons Australia Ltd, 2010.

The required text can be purchased from the Macquarie University Co-op Bookshop. Other cases and reading materials will be available in lectures/tutorials and on the unit's webpage.

TECHNOLOGY USED AND REQUIRED

The students may need computer skills to access the subject unit materials through the unit webpage. The relevant details are given in the paragraph below.

UNIT WEB PAGE

Blackboard CE6 is a program available at <http://learn.mq.edu.au/> through which you will be able to access resources to assist them throughout the semester. The following information will be available on Blackboard:

<ul style="list-style-type: none">• Unit Outline	<ul style="list-style-type: none">• Announcements
<ul style="list-style-type: none">• Lecture slides	<ul style="list-style-type: none">• Selected tutorial solutions
<ul style="list-style-type: none">• Information on Assessments	<ul style="list-style-type: none">• Staff consultation hours and contact details
<ul style="list-style-type: none">• Other relevant material	<ul style="list-style-type: none">• iLecture

You are strongly encouraged to regularly visit the website and use it as a resource centre to assist with your learning.

If you are unable to access the website because you are not aware of or have forgotten your username and password, please contact the IT helpdesk located on Level 1 of the Library on 9850 6500. The IT helpdesk will also be able to assist you with using Blackboard. Please note that there is also a help feature in Blackboard and you may refer to this instead for assistance in using Blackboard. Please remember to log out when you have finished using Blackboard. Failure to do so could result in unauthorised access to your Blackboard account.

LEARNING OUTCOMES

The primary objective of this unit is to develop the various skills of students, in line with the generic skills and graduate capability requirements set out by the university. In particular, on successful completion of the course students will be able to:

1. Critically evaluate and make professional judgments on a set of comprehensive financial statements and other accounting information produced by large economic entities;
2. Produce financial accounting information and other management reports either quantitatively and/or qualitatively to facilitate accountability relating to stakeholders;
3. Enhance their technical accounting skills through an understanding of selected accounting standards;
4. Analyse and evaluate research in financial accounting;

5. Demonstrate awareness of social, ethical, sustainability and corporate governance issues affecting accounting and the role of accountants.
6. Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

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
Discipline Specific Knowledge and Skills	Δ	Δ	Δ	Δ	Δ	
Critical, Analytical and Integrative Thinking	Δ	Δ	Δ	Δ		
Problem Solving and Research Capability	Δ	Δ	Δ	Δ		
Creative and Innovative	Δ	Δ		Δ		Δ
Effective Communication	Δ	Δ		Δ		
Engaged and Ethical Local and Global citizens					Δ	Δ
Socially and Environmentally Active and Responsible					Δ	Δ
Capable of Professional & Personal Judgement and Initiative	Δ	Δ	Δ	Δ	Δ	

TEACHING AND LEARNING STRATEGY

The teaching strategy in ACCG224 recognises that students learn independently and assume responsibility for the learning process and with academic integrity. The teaching philosophy is articulated as follows:

Lectures – large group learning (2 hours each teaching week)

Lectures are intended to provide an overview of conceptual frameworks and financial accounting practices that are critical to the core themes of the unit.

Independent learning – learning by doing (about 8 hours each teaching week and 12 hours each week during the 2-week mid-semester recess)

ACCG224 relies heavily on independent learning where you read the relevant chapter, revise the lecture notes, prepare answers to the pre-set tutorial questions to academic reading exercises, and extend themselves by doing additional reading, questions, exercises and problems.

Tutorials –small group learning (1 hour each teaching week beginning in Week 2)

Tutorials constitute a critical learning experience of this unit and you must attend them. The tutor will facilitate a highly student-centred discussion of answers to pre-set tutorial questions. In addition there will be in-class individual and/or group exercises. A tutorial is also an active forum to present to the tutor difficulties you encountered when preparing for the pre-set

tutorial questions. Ask your tutor questions and further guidance on how to approach questions.

After the tutorials – the learning continues

At the end of each week, solutions to a few selected questions will be posted on the unit website. Review your tutorial notes, compare your answers to the model solutions and consult with staff during consultation hours.

RESEARCH AND PRACTICE

One of the learning outcomes of this unit is to relate various accounting theories to practice of accounting. The students are given a brief overview of theories in accounting. Accordingly, the unit uses research papers as additional reading material. The unit also contains a research based case study assignment worth of 15% of the overall assessment. The students are expected to read accounting research articles published in leading academic journals.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The total marks for **ACCG224** will be calculated as follows:

Assessment	Weighting	Type	Learning Outcomes
<i>Tutorial attendance and participation</i>	5%	<i>Individual, with a peer and/or in groups</i>	1,2, 3, 4, 5, 6
<i>Tutorial Homework</i>	5%	<i>Individual</i>	1,2, 3, 4,,6
<i>Case Study Assignment</i>	15%	<i>Individual</i>	1, 2, 3,4, 6
<i>Mid-Semester Examination</i>	25%	<i>Individual</i>	1, 2, ,4, 6
<i>Final Examination</i>	50%	<i>Individual</i>	1, 2, 3, 4, 6
TOTAL	100%		

Irrespective of accumulated marks, students must pass the final examination to gain a passing grade in this unit. Assessments in this unit assist students in developing capabilities outlined on page 5 as Learning Outcomes. There is an emphasis on continuous assessment to encourage students to learn constantly and consistently throughout the semester.

If you are absent from a tutorial and miss an assessment, you must comply with requirements as stated on p.11. Compliance could result in: 1) an adjustment as to how your tutorial participation marks are calculated, and/or, 2) an increase in the weighting of your final examination mark.

Tutorial attendance and participation – 5%

Student participation is an essential feature of a successful tutorial. The tutor will calculate your participation mark over the required 10 tutorial week attendance. A student who attends

more than the required 10 tutorials and actively participates in each of those tutorials has a better opportunity to earn higher participation marks (see page 16 for detailed criteria).

This assessment is based on students attending the (full) tutorial, demonstrating satisfactory preparation of the assigned tutorial work by participating actively and constructively in tutorial discussions and activities. Students will be randomly selected in the tutorials to answer pre-set tutorial questions and will be provided opportunities to fully engage in tutorial individual and/or group work.

You are encouraged to actively participate beyond these minimal requirements. The quality and frequency of voluntary participation in class discussions and in *ad hoc* presentations and activities will be taken into account in awarding the final tutorial participation mark.

Tutorial Homework – 5%

During the semester tutors will collect your written assignments during 5 random weeks for the purpose of assessing whether or not you are making sufficient effort on these assignments. This part of the assessment is worth 5%. You will be graded either an “S” (satisfactory) which constitutes 1 mark or “U” (unsatisfactory) which constitutes 0 marks.

Once again it is only possible to submit your assignments in your designated tutorial. If you do not attend, the assignment marks for that week are automatically forfeited. No extensions will be granted by tutors for submitting the assignment late. **Students absent from tutorials for medical reasons will be noted, and taken into account by your tutor when determining your tutorial mark when appropriate medical evidence is produced. You are only allowed credit/allowance for missing one (out of five) tutorial homework due to misadventure or sickness.**

The first assignment will be collected prior to Week 4 and will act as an early diagnostic assessment, the results of which will be indicative of the student’s application to achieving the learning outcomes of the unit. Students who achieve poor results in this assignment should consult the teaching staff regarding strategies for improving their performance. The class tutor will mark student individual tutorial homework and feedback is given during the following week tute class.

Case study Assignment – 15%

You will be advised of the content, format and **assessment criteria** later in the semester. The requirements of the case study will be made available on the Blackboard website and an announcement will be made during the lectures. **The assignment is due on Tuesday 12 October, 2010 by 5 pm.** Please submit your assignment to BESS, Ground Floor, E4B. **Do not submit the assignment to your tutor.** Assignments may be checked for plagiarism or “copying” (within tutorials and across tutorials) and guilty parties (being the person/s who copied and the person/s who allowed the copying) will be subject to a detailed investigation by the Faculty. A reminder regarding plagiarism is given in the page 10.

The marked assignment with feedback comments will be given back to the students in week 12.

Mid-Semester Examination – 25%

There will be a mid-session exam held before the mid-session break. The purpose is to test your knowledge on the topics covered before the mid-session break and provide you with feedback on your performance. The questions will be closed book, answered under examinations conditions and of examination standards. The mid-session exam would cover the material taught from Weeks 1 to Weeks 6 inclusive. Your tutor will mark the tests in the same way as an examination question and give you detailed feedback on your performance.

Date (to be confirmed)	Possible topics covered	Time (hours)	Type of Questions
18/9/2010 (Saturday)	Week 1 to Week 6 inclusive	2 hours	Theoretical and Practical. More details in the lecture.

Final Examination – 50%

There will be one paper, of 3 hours duration, to be sat during the end of semester examination period. The paper will contain both calculative and discursive questions, based on key themes of the unit. More details will be announced in due course in the final lecture in Week 13.

Irrespective of accumulated marks, students must pass the final examination to gain a passing grade in this unit.

The University Examination period in the Second Half Year 2010 is from 17 November, 2010 to 3 December, 2010.

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 Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

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

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

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>

ACADEMIC HONESTY (PLAGIARISM)

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

GRADES

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

Macquarie University's 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).

The standardised numerical grade (SNG) is not a summation of the assessment components.

To be awarded a specific grade, students are required to perform at an equivalent standard in the final examination and their overall assessment marks in the unit.

Please also refer to relevant pages in the Handbook Undergraduate Studies.

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.businessandconomics.mq.edu.au/for/new_and_current_students/undergraduate/admin_central/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

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.

PUBLIC HOLIDAYS

Please note as Monday, 4 October, 2010 is a public holiday no classes will be held on this date. The students, who are enrolled in Monday tutorial classes, can attend any other tutorial class from Tuesday to Friday in week 8.

LECTURE AND TUTORIAL SCHEDULE¹

Week	Commencing	Topic	Readings and Lecturer	Pre-set Tutorial Questions*
1	2 August	Introduction to the regulatory environment: including theories of regulation and political influence	Godfrey Chapter 3 (7e) Godfrey Chapter 12 (6e)- available on the web. Sunil Dahanayake (SD) Rajni Mala (RM)	No tutorial
2	9 August	Conceptual framework and Principles of Disclosure.	Picker Chapter 2, Picker Chapter 18. AASB 101, 108 and 110 available on the web. SD and RM	Godfrey Ch 3: Q4, Q11, Q14, Q.18 Case Study 3.1
3	16 August	Accounting for Income Taxes	Kieso et al, Chapter 16. Fundamentals of Intermediate Accounting AASB 112 and chapter 16 available on the web. RM	Picker Ch 2: P. 2.18, P.2.20 Picker Ch. 18: DQ. 1, Ex. 18.5, P.18.1
4	23 August	Advanced asset and liability issues (PPE, impairment and provision, contingent liabilities)	Picker Chapter 5, Picker Chapter 10 and Picker Chapter 13. AASB 116, 136 and 137 available on the web. SD and RM	Q.1, Q.2, Q.10 (Page 683 of Kieso et al, Chapter 16). P. 16.1, P. 16.3, P. 16.4, P.16.9 (Kieso et al, Chapter 16).

¹ Note- All these chapters are contained within the custom publication-Intermediate Financial Accounting, prepared by Elaine Evans.

5	30 August	Introduction to company accounting- share issue, debentures and dividends	Weygandt Chapter 14 and Weygandt Chapter 15 SD and RM	Picker Ch. 5: P.5.2 Picker Ch. 10 : Ex.10.1, Ex.10.9, Picker Ch.13: P 13.1, P 13.3
6	6 September	Income statement (with notes)	Picker Chapter 19 SD and RM	Weygandt, Ch.14: P14.2, P 14.3, P14.4, Weygandt, Ch.15: P 15.3, P15.4,
7	13 September	Balance sheet (with notes)	Picker Chapter 19 SD and RM	Picker Ch.19: DQ.7, Ex.19.3, Ex.19.4, P 19.4, P.19.5
Mid-Semester Examination will be held on Saturday, 18 September 2010				
Mid-Semester Break September 18 to October 4				
8	5 October	Cash Flow Statements (with reconciliation)	Picker Chapter 20 SD and RM	Picker Ch 19: DQ. 2, P.19.2, P. 19.6, P.19.7
9	11 October	Theory in accounting: what is it, why do we care?	Godfrey Chapter 2, Deegan Chapter 3 SD and RM	Picker Ch. 20: P 20.3, P 20.4, P20.7, P 20.8.
10	18 October	Corporate responsibility and sustainability (CSR) reporting: non-financial measurement	Godfrey Chapter 14 SD and RM	Godfrey Ch.2: Q.5, Q.8, Q.11, Q.13, Q.16.
11	25 October	Corporate governance and accountability	Leo Chapter 12 Additional material available on the web SD and RM	Godfrey Ch 14: Q2, Q3, Q4, Q6, Q10 and Q17

12	1 November	Corporate collapses, creative accounting and ethics: a case study	Dellaportas Chapter 7 SD and RM	Leo Ch. 12: RQ, 2, RQ.12, RQ. 13, DQ. 2 and DQ.3
13	8 November	Revision	SD and RM	Dellaportas, Ch.7, 7.2, 7.5, 7.9, 7.12, Case Study- Enron-The creative accounting issues.

*** Answers to pre-set questions in the custom publication titled “Intermediate Financial Accounting” will be posted on the website the day after they are discussed in the tutorials. Additional questions may be added.**

ACCG224 INTERMEDIATE FINANCIAL ACCOUNTING
Tutorial Attendance and Participation (5%)
Marking Criteria

Mark	Criteria
(HD)	Very frequently and consistently made insightful comments and questions.
	Very frequently and consistently provided high quality answers to pre-set tutorial questions.
	Very frequently and consistently participated in tutorial discussions and activities.
	Was not disruptive in class.
	Gave excellent feedback to or asked about contents of oral presentation.
	Attended at least 10 tutorials.
(D)	Very frequently and consistently provided high quality answers to pre-set tutorial questions.
	Very frequently and consistently participated in tutorial discussions and activities.
	Was not disruptive in class.
	Gave very good feedback to or asked about contents of oral presentation.
	Attended at least 10 tutorials.
(Cr)	Frequently provided good quality answers to pre-set tutorial questions.
	Frequently participated in tutorial discussions and activities.
	Was not disruptive in class.
	Attended at least 10 tutorials.
(P)	Occasionally provided good quality answers to pre-set tutorial questions.
	Frequently participated in tutorial discussions and activities.
	Was not disruptive in class.
	Attended at least 10 tutorials.
(F)	Participated infrequently in tutorial discussions and activities.
	Attended less than 10 tutorials.