

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

ACCG323 - Financial Accounting Theory and Practice

Semester Two, 2010

Department of Accounting and Finance.

Unit convenor: Dr Philip Sinnadurai
Credit Points: Four (4)
Prerequisites: ACCG101 (P); 39 cp; Admission to BCom - Accounting

You 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 is an advanced unit that aims to provide students with a comprehensive understanding of the theoretical constructs and practical applications in financial accounting. It encourages students to critically evaluate and challenge financial reporting issues and key provisions of international accounting standards. This unit offers broad and in-depth coverage of topics including: the accounting standard setting environment; positive and normative theoretical frameworks; impact of accounting numbers on capital markets; professional ethics in accounting; accounting for leases; accounting for intangibles and employee entitlements. This unit also familiarises students with current issues in accounting in the context of the theoretical frameworks and philosophies taught in the course. In addition to the technical and theoretical skills developed in this course, this unit aims to fortify analytical, critical and presentation skills by using a variety of assessment tasks such as case studies and assignments. This unit aims to develop a range of graduate capabilities in students that include: the ability to make well reasoned, independent and socially responsible choices; and the ability to use critical thinking and creativity to understand different perspectives and make effective decisions.

TEACHING STAFF

The full-time staff members teaching on the unit are as follows:

<u>Name</u>	<u>Location</u>	<u>Contact No.</u>	<u>Email</u>	<u>Role</u>
Dr Philip Sinnadurai	E4A 334	9850 7101	accg323@mq.edu.au	Unit Convener
Dr Parmod Chand	E4A 236	9850 6137	accg323@mq.edu.au	Lecturer
Ms Peipei Pan	E4A 254A	9850 9943	accg323@mq.edu.au	Deputy Unit Convener

All full time (and some part-time) staff teaching on the unit are available for individual consultation with students for a designated two hours per week. A timetable of when staff will be available will be posted on the ACCG323 website and although access to staff rooms are restricted for security reasons on most levels within the E4A building, staff can be accessed on the internal telephones by dialling the last four digits of the staff telephone number. Internal telephones are

located in BESS and outside the lift area on each level within the E4A building. If you need to contact any staff member by email, please use the generic address.

Students experiencing significant difficulties with any topic in the unit are strongly encouraged to seek assistance immediately.

CLASSES

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

Due to the large number of students enrolled in ACCG323 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 so all changes must be made by then.

PRIZES

Details of prizes awarded by the Faculty of Business and Economics are available at http://www.businessandeconomics.mq.edu.au/undergraduate_degrees/prizes_scholarships

UNIT WEB PAGE

Students should refer to the unit webpage for all material and any updates, announcements or general unit information. You can access the ACCG323 webpage at <http://learn.mq.edu.au/> where you can login to “Blackboard” (formerly WebCT).

REQUIRED AND RECOMMENDED TEXTS

Students must have a copy of the custom publication for the unit, which is available in the bookshop. The Chand & Cummings custom publication is a compilation of selected chapters from both Deegan texts *Financial Accounting Theory – Third Edition* and *Australian Financial Accounting – Sixth Edition* offered by McGraw-Hill Australia. Copies of this text are available on Library Reserve.

Students are strongly recommended to purchase the accounting handbook. However, copies of accounting standards can be downloaded for free from the ACCG323 website or from the AASB website at www.aasb.com.au.

In addition, students should regularly read the financial press. Periodicals that may be particularly useful include: *The Australian Financial Review*, *The Australian* and *The Business Review Weekly (BRW)*. It is important to remain abreast of developments in the business world.

References for the Textbooks

- Chand, P. and Cummings, L. *Financial Accounting Theory and Practice – 5th edition*, a custom publication by McGraw-Hill, 2010.
- *Accounting Handbook 2010*: Pearson Education, Australia.

TECHNOLOGY USED AND REQUIRED

ACCG323 lecture handouts and notices will be available from the unit's web page. Lectures will be audio recorded on 'i-lecture' and made available on Blackboard as well.

LEARNING OUTCOMES

The primary objective of this unit is to develop the written and verbal communication skills of students, in line with the generic skills requirements set out by the university. In particular, students will:

1. Critically evaluate accounting information and standards through an understanding of the different theoretical and philosophical approaches to accounting that have evolved over time.
2. Enhance their technical accounting skills through an understanding of selected accounting standards. Students are required to actively read and apply the standards and the Conceptual Framework.
3. Develop their ability to analyse, reason logically, conceptualise and construct arguments on different aspects of accounting and act critically, to write reports and to present, discuss and defend views. In particular, students will use normative theory to critique accounting practice and positive theory to understand managerial incentives that influence accounting and disclosure policy choices.
4. Develop their capacity to apply theoretical and practical knowledge and use it to diagnose and solve problems and evaluate ideas and information.
5. Consider limitations in prevailing accounting knowledge paradigms and provide alternatives and ways of advancements.
6. Demonstrate awareness of social, ethical and sustainability issues affecting accounting and the role of accountants.

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	✓	✓				✓
Critical, Analytical and Integrative Thinking	✓	✓	✓	✓	✓	
Creative and Innovative	✓		✓	✓	✓	✓
Effective Communication	✓	✓	✓	✓	✓	
Engaged and Ethical Local and Global citizens						✓
Socially and Environmentally Active and Responsible					✓	✓
Capable of Professional & Personal Judgement and Initiative	✓	✓	✓	✓	✓	
Commitment to Continuous Learning	✓	✓	✓	✓	✓	✓

TEACHING AND LEARNING STRATEGY

- Each weekly lecture and the accompanying lecture notes provide a broad outline of the unit material for that week.
- Students must understand that the lectures and lecture notes are not an encapsulation of everything they possibly need to know. Any student who regards the lecture notes in this manner, or merely reproduces lecture materials in the final examination is certain to fail the unit. The lectures and lecture notes are merely a guide, to assist students in their self-directed learning. Prior to each tutorial, students should actively read and summarise the textbook and other reading materials, as directed in the Weekly Schedule of Topics.
- Students are required to attempt the tutorial assignment in advance of each week's tutorial. The tutorials are forums for small-group learning, in which material and concepts from the lectures, textbook and readings are amplified and exemplified.
- The qualitative questions should be addressed using the theory developed in the unit, rather than general reasoning.
- Copies of the solutions to quantitative accounting problems only will be placed on the unit webpage after the end of the week when the relevant material is covered in tutorials.

USE OF STUDENT INFORMATION TECHNOLOGY FACILITIES

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. At all times, student ID cards must be displayed in the locations provided. Students are expected to act responsibly at all times when utilising University IT facilities. The following regulations apply to the use of computer labs and online services:

- Accessing inappropriate web sites, or downloading inappropriate material, are not permitted, material that is not related to coursework in units authorised to use these facilities 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 possibly result in criminal proceedings.

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

RESEARCH AND PRACTICE

In delivering this unit, the staff members of Macquarie University will draw upon their research interests and expertise. All financial accounting researchers have familiarity with and perspectives on the Conceptual Framework, which they will impart during lectures and tutorials. Dr Philip Sinnadurai conducts agency theory-based research, which makes him an appropriate choice to deliver the lectures on defining theories in financial accounting and agency theory. Dr Parmod Chand conducts behavioural research in financial accounting and research into international harmonisation of accounting practices. This expertise will be utilised by Dr Chand via his delivery of the lectures on international harmonisation and financial accounting and related topics.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

In ACCG323 you must demonstrate that you have satisfied all the learning objectives of the unit. The unit is taught by a weekly two-hour lecture followed by a weekly one-hour tutorial. Students are expected to attend tutorials (approx. 25 students to each tutorial). Students are required to read the designated tutorial material before each class and attempt all questions for that week. Failure to attempt all questions will result in an ‘unsatisfactory’ performance for that particular week.

The following weightings apply for unit assessment:

	<u>%</u>
Tutorial Assignments	10
Mid-Semester Test	15
Case Study Assignment	15
Final Examination	<u>60</u>
Total	100

The following summary table indicates the alignment between the assessment tasks and learning outcomes.

Assessment Tasks	Value	Learning Outcomes					
		1	2	3	4	5	6
1. Tutorial Assignments	10%	✓	✓	✓	✓	✓	✓
2. Mid-Semester Test	15%	✓	✓	✓	✓	✓	✓
3. Case Study Assignment	15%		✓	✓	✓		✓
4. Final Examination	60%	✓	✓	✓	✓	✓	✓

Irrespective of accumulated marks, students must pass the final examination to gain a passing grade in this unit. Furthermore, irrespective of the total exam score, students must achieve satisfactory marks for each of the qualitative and the quantitative components of the final exam to pass the unit. Students must also attend at least 10 of the 12 tutorials to be eligible to pass the unit. Consistent with the policy of the Faculty, dictionaries will not be allowed in the final exam.

I. TUTORIAL ASSIGNMENTS

During the semester, tutors will collect your written assignments each week for the purpose of assessing whether or not you are making sufficient effort on the weekly assignments. This part of the assessment is worth 10%. Given that there are 12 tutorials, your best 10 will constitute the

assessment. 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 when determining your tutorial mark when appropriate medical evidence is produced. Assignments may be checked for “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 attached as Appendix 1.

The first four homework attempts will be a low risk diagnostic task. Students with unsatisfactory performance will be identified and suggestions to improve their performance will be provided by the tutor.

II. MID-SEMESTER TEST

The duration of the mid-semester examination will be two hours. Students will not be permitted to bring dictionaries of any kind. Standard examination conditions will apply. The test will be closed book. Hand calculators may be used, provided they are non-programmable and lack text storage capacity. The test will be conducted on Saturday 28 August. The time and venues will be announced in due course. The content of the mid-semester test will cover all of the material from the lectures conducted during Weeks One to Four inclusive. The mid-semester test questions will require students to argue and analyse, rather than reproduce materials from the textbook, readings and lectures. The focus will be application of the various theories covered in the earlier part of the unit.

The mid-semester test is intended to be primarily a tool for student feedback and secondarily, an assessment item. In particular, it is anticipated that students will receive guidance on how well they understand the theories developed in the earlier part of the unit and their ability to apply these theories. Students whose performance in the mid-semester test is unsatisfactory should respond to, and implement the feedback received. They should anticipate the need to change their study habits in order to pass the final examination. The marked examination papers will be returned to students during tutorials. Marking will be completed by the end of the mid-semester recess.

There will be no supplementary mid-semester examination. Therefore, absence from the mid-semester examination will, upon receipt of adequate documentation, increase the weighting on the final examination to 75%. You have to lodge an Advice of Absence form with the Student Centre within a week after the mid-semester exam and you must provide documentary evidence to support your absence. ANY LATE ADVICE OF ABSENCE FORM LODGED WILL NOT BE ACCEPTED. Students approved for a final examination weighting of 75% will be posted on the unit webpage.

III. CASE STUDY ASSIGNMENT

The unit contains a case study assignment worth 15% of the overall assessment. The case study will be distributed in the Week 7 lecture.

The assignment must not exceed 2,000 words in length. The assignment must be word-processed, double spaced, on one side only of A4 paper, and properly referenced including a bibliography. It is expected that assignments will be completed over weeks 7 and 8. The case study assignment is due for submission without exception on or before 7pm Tuesday 5 October and should be placed in a marked box inside BESS (E4B106). You must attach the 'individual assessment task' cover sheet located on the BESS website at <http://www.efs.mq.edu.au/services/eric.htm> with your assignment. Failure to attach the designated cover sheet with all fields completed will attract zero marks. A deduction of 25% on the total assignment mark will be imposed each day for late submission. Assignments will be marked out of 15, and guidance to the answer will be provided at the time of feedback.

It is expected that students will be aware of the appropriate standard for assignment writing at university (including how to reference the work of other authors). Without exception any evidence of plagiarism discovered in submitted assignments will result in a detailed investigation by the Faculty, and may result in a fail in the unit and suspension from the University. A reminder regarding plagiarism is attached as Appendix 1 to this handout.

IV. FINAL EXAMINATION

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.

A three-hour final examination for this unit will be held during the University Examination period.

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

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

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

ADVICE OF ABSENCE

If you suffer from an unavoidable disruption or misadventure during teaching weeks or mid-semester recess weeks and this causes you to miss classes or key events (lectures, tutorials or due dates for assignments), then you need to submit an advice of absence form. Details regarding this form are available at the Faculty website:

http://www.businessandeconomics.mq.edu.au/for/new_and_current_students/undergraduate_current_students/how_do_i/absences

GRADES

Please refer to relevant Bachelor Degree rule in the Handbook of Undergraduate Studies.

GRADING APPEALS AND FINAL EXAMINATION 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>.

CLASSROOM ETIQUETTE

Students are expected to arrive on time, certainly before five minutes past the hour, and not to leave until the class ends. If you have a recurring problem that makes you late, or forces you to leave early, you are required to discuss this with your lecturer/tutor. If you happen to be late, please afford your fellow students and the teacher some basic courtesies. If you are late for a lecture, use the back entrance, or one of the side entrances and enter the room quietly. If you are late for a tutorial, do not walk to your seat while the tutor or a student is speaking. Enter the room when there is a pause in the delivery, to minimise disruption.

WEEKLY SCHEDULE OF LECTURE TOPICS

<u>WEEK</u>	<u>DATES</u>	<u>LECTURE TOPIC</u>	<u>LECTURER</u>
1	2 August	The Australian Accounting Environment	Philip
2	9 August	Introduction to Accounting Theory	Philip
3	16 August	Normative Accounting Theory	Philip
4	23 August	Positive Accounting Theory	Philip
5	30 August	Critical Dimensions in Accounting	Philip
6	6 September	Behavioural Research in Accounting	Philip
7	15 September	Ethics in Accounting	Parmod
	20 September to 4 October	INTRA SEMESTER RECESS	
8	5 October	International Harmonisation of Accounting	Parmod
9	11 October	Accounting for Leases	Parmod
10	18 October	Accounting for Intangible Assets	Parmod
11	25 October	Accounting for Employee Benefits	Parmod
12	1 November	Accounting for Heritage Assets and Biological Assets	Philip
13	1 November	Revision and Details about the Final Examination	Philip

DUE WEEK 2
THE AUSTRALIAN ACCOUNTING ENVIRONMENT

Readings

Compulsory

Deegan, C., [2009], “An Overview of the Australian External Reporting Environment”, Chapter 1 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill. (**Textbook, pp. 2-43**)

Optional

- a) Deegan, C., [2009], “The Regulation of Financial Accounting”, Chapter 3 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 56–103. 📖 (**Textbook, pp. 44-91**)
- b) Bruns, W. J., [2004], “Diversity in Accounting Principles: A Problem, a Strategic Imperative, or a Strategic Opportunity?”, *Harvard Business School Accounting Cases*, pp. 1–12. 📖 (**Textbook, pp. 93–104**)
- c) Fuller, J., [2004], “The Accounting Transparency Gap”, *Harvard Management Update*, pp. 1–4. 📖 (**Textbook, pp. 105–108**)

Assignment Questions Due for Submission

- 1. Deegan – Review Question 1 (p.40 of the textbook)
- 2. Deegan – Review Question 4 (p.40 of the textbook)
- 3. Deegan – Review Question 13 (p.40 of the textbook)
- 4. Deegan – Review Question 16 (p.40 of the textbook)
- 5. Deegan – Challenging Question 23 (p.42 of the textbook)
- 6. Deegan – Challenging Question 24 (p.42 of the textbook)

DUE WEEK 3
INTRODUCTION TO ACCOUNTING THEORY

Readings

Compulsory

- a) Deegan, C., [2009], “Introduction to Financial Accounting Theory”, Chapter 1 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 2–31. 📖 (**Textbook, pp. 110–139**)
- b) Deegan, C., [2009], “Theories of Financial Accounting”, Chapter 3 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 80–132. 📖 (**only pp. 140–142 of Textbook**)

Assignment Questions Due for Submission

- 1. Deegan – Question 1.2 (p.134 of the textbook)
- 2. Deegan – Question 1.4 (p.135 of the textbook)
- 3. Deegan – Question 1.5 (p.135 of the textbook)
- 4. Deegan – Question 1.9 (p.135 of the textbook)
- 5. Deegan – Question 1.17 (p.136 of the textbook)
- 6. Deegan – Question 1.24 (p.137 of the textbook)

DUE WEEK 4
NORMATIVE ACCOUNTING THEORY

Readings

Compulsory

- a) AASB – SAC1 – Definition of the Reporting Entity
- b) AASB – SAC2 – Objective of General Purpose Financial Reporting
- c) AASB – ‘Framework for the Preparation and Presentation of Financial Statements’. 📖
(ACCG323 website or Accounting Handbook)
- d) Deegan, C., [2009], “Normative Theories of Accounting – The Case of Conceptual Framework Projects”, Chapter 6 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 208–252. 📖 **(Textbook, pp. 240–284)**

Optional

- a) Deegan, C., [2009], “Theories of Financial Accounting”, Chapter 3 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 80–132. 📖 **(only pp. 162–165 of Textbook)**
- b) Deegan, C., [2009], “Normative Theories of Accounting – The Case of Accounting for Changing Prices”, Chapter 5 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 162–206. 📖 **(Textbook, pp. 194–238)**

Assignment Questions Due for Submission

- 1. Deegan – Review Question 17 (p.182 of the textbook)
- 2. Deegan – Question 5.3 (p.235 of the textbook)
- 3. Deegan – Question 5.12 (p.236 of the textbook)
- 4. Deegan – Question 5.15 (p.236 of the textbook)
- 5. Deegan – Question 6.8 (p.281 of the textbook)
- 6. Deegan – Question 6.12 (p.281 of the textbook)

DUE WEEK 5 POSITIVE ACCOUNTING THEORY

Readings

Compulsory

- a) Deegan, C., [2009], “Positive Accounting Theory”, Chapter 7 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 254–317.
- b) Deegan, C., [2009], “Theories of Financial Accounting”, Chapter 3 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 80–132. 📖 (**only pp. 166–180 of textbook**)

Optional

Deegan, C., [2009], “Theories of Financial Accounting”, Chapter 3 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 80–132. 📖 (**only pp. 142–162 of textbook**)

Assignment Questions Due for Submission

1. Deegan – Question 7.6 (p.340 of the textbook)
2. Deegan – Question 7.9 (p.340 of the textbook)
3. Deegan – Question 7.13 (p.341 of the textbook)
4. Deegan – Question 7.18 (p.343 of the textbook)
5. Deegan – Question 3.23 (p.182 of the textbook)
6. Deegan – Question 3.28 (p.182 of the textbook)

DUE WEEK 6
CRITICAL DIMENSIONS IN ACCOUNTING

Readings

Compulsory

- a) Deegan, C., [2009], “Extended Systems of Accounting – The Incorporation of Social and Environmental Factors within External Reporting”, Chapter 9 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 378–456. 📖 (**Textbook, pp. 352–430**)
- b) Deegan, C., [2009], “Critical Perspectives of Accounting”, Chapter 12 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 526–557. 📖 (**Textbook, pp. 432–463**)
- c) Hines, R., 1989, “Financial Accounting Knowledge, Conceptual Framework Projects and the Social Construction of the Accounting Profession”, *Accounting, Auditing and Accountability Journal* 20 (2), 72-92.

Assignment Questions Due for Submission

- 1. Deegan – Question 9.7 (p.420 of the textbook)
- 2. Deegan – Question 9.17 (p.420 of the textbook)
- 3. Deegan – Question 12.4 (p.458 of the textbook)
- 4. Deegan – Question 12.7 (p.459 of the textbook)
- 5. Deegan – Question 12.13 (p.459 of the textbook)
- 6. Explain the main idea argued in Hines (1989). Discuss three of the criticisms that she makes of the Conceptual Framework Projects and evaluate their merits. Your answer should be about three pages long.

DUE WEEK 7
BEHAVIOURAL RESEARCH IN ACCOUNTING

Readings

- a) Deegan, C., [2009], “Reactions of Individuals to Financial Reporting: An Examination of Behavioural Research”, Chapter 11 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 500–525. 📖 (Textbook, pp. 466–491)
- b) Maines, L., 1994, “The Role of Behavioral Accounting Research in Financial Accounting Standard Setting”, *Behavioral Research in Accounting* 6 (Supplement), 204-212.

Assignment Questions Due for Submission

- 1. Deegan – Review Question 11.1 (p.488 of the textbook)
- 2. Deegan – Review Question 11.3 (p.488 of the textbook)
- 3. Deegan – Review Question 11.7 (p.488 of the textbook)
- 4. Deegan – Review Question 11.8 (p.488 of the textbook)
- 5. Deegan – Review Question 11.10 (p.488 of the textbook)
- 6. Discuss the suggestions in Maines (1994) as to how behavioural research could enhance the standard setting process. Evaluate the extent to which her suggestions are still valid more than 15 years after the article was published. (Your answer should be about three pages long.)

ETHICS IN ACCOUNTING

Readings

Compulsory

- a) Accounting Professional Ethics and Standards Board, “APES 110 - Code of Ethics for Professional Accountants”. 🌐 (**ACCG323 website**)
- b) Lawrence, A. T., [2004], “The Collapse of Enron”, Case 30 - Cases in Crafting and Executing Strategy in *Thompson—Gamble-Strickland: Strategy, Winning in the Marketplace*, McGraw-Hill, pp. C555–C567. 📖 (**Textbook, pp. 513–525**)
- c) Meigs-Meigs., [1993], “Professional Judgment and Ethics in Accounting”, Chapter 15 in Meigs-Meigs: *Financial Accounting*, McGraw-Hill, pp. 1–26. 📖 (**Textbook, pp. 526–552**)

Optional

- a) Kaplan, R. S. and Kiron, D., [2005], “Accounting Fraud at WorldCom”, *Harvard Business School Cases – Social Enterprise and Ethics*, McGraw-Hill, pp. 1–18. 📖 (**Textbook, pp. 495–512**)
- b) Perks., [2007], “Creative Accounting”, Chapter 8 in *Financial Accounting: Understanding and Practice*, McGraw-Hill, pp. 189–214. 📖 (**Textbook, pp. 553–578**)

Assignment Questions Due for Submission

1. Meigs-Meigs – Discussion Question 8 (p. 542 of the textbook)
2. Meigs-Meigs – Discussion Question 17 (p. 542 of the textbook)
3. Meigs-Meigs – Discussion Question 21 (p. 542 of the textbook)
4. Meigs-Meigs – Discussion Question 22 (p. 543 of the textbook)
5. Meigs-Meigs – Discussion Question 29 (p. 543 of the textbook)
6. Refer to the Lawrence article.

Outline the methods used by Enron to engage in creative accounting. The length of your answer should be about two pages.

DUE WEEK 9
INTERNATIONAL HARMONISATION OF ACCOUNTING

Readings

Compulsory

- a) Deegan, C., [2009], “International Accounting”, Chapter 4 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 104–160. 📖 (**Textbook, pp. 584–640**)
- b) Baydoun, N. and R. Willett, 1995, “Cultural Relevance of Western Accounting Systems to Developing Countries”, *Abacus* 31 (3), 67-92.

Optional

- a) Barker, R. G., [2004], “Global Accounting is Coming”, Harvard Business Review Accounting Articles, McGraw-Hill, pp.1–3. 📖 (**Textbook, pp. 581–583**)
- b) Deegan, C., [2009], “International Accounting”, Chapter 4 in *Financial Accounting Theory*, Third Edition, McGraw-Hill, pp. 104–160. 📖 (**Textbook, pp. 584–640**)
- c) Doupnik, T. S. and Perera, M. H. B., [2009], “International Convergence of Financial Reporting”, Chapter 3 in *International Accounting*, McGraw-Hill, pp. 69–111. 📖 (**Textbook, pp. 641–683**)

Assignment Questions Due for Submission

- 1. Deegan – Question 4.10 (p.635 of the textbook)
- 2. Deegan – Question 4.14 (p.635 of the textbook)
- 3. Deegan – Question 4.21 (p.635 of the textbook)
- 4. Deegan – Question 4.26 (p.637 of the textbook)
- 5. Deegan – Question 4.30 (p.638 of the textbook)
- 6. Explain the purpose of the article by Baydoun and Willett (1995). Choose any two of the relationships summarized in Table 1 that have a positive anticipated association and two that have a negative anticipated association. In each of the four cases, explain the arguments motivating the expected direction of association. The tests of the Hofstede-Gray (1988), conducted via the examination of France and Lebanon suffer from several limitations. Discuss two of these limitations. (Your answer should be about four pages long.)

DUE WEEK 10
ACCOUNTING FOR LEASES

Readings

- a) AASB 117: Accounting for Leases. 📄 (ACCG323 website or Accounting Handbook)
- b) Deegan, C., [2009], “Accounting for Leases”, Chapter 11 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 360–403. 📖 (Textbook, pp. 686–729)

Assignment Questions Due for Submission

- 1. Deegan – Review Question 9 (p.725 of the textbook)
- 2. Deegan – Review Question 10 (p.725 of the textbook)
- 3. Deegan – Review Question 12 (p.726 of the textbook)
- 4. Deegan – Review Question 13 (p.726 of the textbook)
- 5. Deegan – Challenging Question 17 (p.728 of the textbook)
- 6. Deegan – Challenging Question 21 (p.728 of the textbook)

* Present value tables are located between p.838–843 of the textbook.

DUE WEEK 11
ACCOUNTING FOR INTANGIBLE ASSETS

Readings

- a) AASB 138: Intangible Assets 📄 (**ACCG323 website or Accounting Handbook**)
- b) Deegan, C., [2009], “Accounting for Intangibles”, Chapter 8 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 248–292. 📖 (**Textbook, pp. 732–776**)

Assignment Questions Due for Submission

- 1. Deegan – Review Question 2 (p.767 of the textbook)
- 2. Deegan – Review Question 10 (p.767 of the textbook)
- 3. Deegan – Review Question 11 (p.767 of the textbook)
- 4. Deegan – Review Question 16 (p.767 of the textbook)
- 5. Deegan – Review Question 18 (p.768 of the textbook)
- 6. Deegan – Review Question 21 (p.770 and 771 of the textbook)

DUE WEEK 12
ACCOUNTING FOR EMPLOYEE BENEFITS

Readings

- a) AASB 119: Employee Benefits  (**ACCG323 website or Accounting Handbook**)
- b) Deegan, C., [2009], “Accounting for Employee Benefits”, Chapter 13 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 414–436.  (**Textbook, pp. 778–800**)

Assignment Questions Due for Submission

- 1. Deegan – Review Question 9 (p.797 of the textbook)
- 2. Deegan – Review Question 12 (p.798 of the textbook)
- 3. Deegan – Review Question 15 (p.798 of the textbook)
- 4. Deegan – Review Question 16 (p.798 of the textbook)
- 5. Deegan – Challenging Question 18 (p.798 of the textbook)
- 6. Deegan – Challenging Question 19 (p.799 of the textbook)

DUE WEEK 13
ACCOUNTING FOR HERITAGE ASSETS AND BIOLOGICAL ASSETS (FINAL TUTORIAL)

Readings

- a) AASB 141: Agriculture 📄 (**ACCG323 website or Accounting Handbook**)
- b) Deegan, C., [2009], “Accounting for Heritage Assets and Biological Assets”, Chapter 9 in *Australian Financial Accounting*, Sixth Edition, McGraw-Hill, pp. 294–327. 📖 (**Textbook, pp. 802–835**)
- c) Carnegie, G. and P. Woelnizer, 1999, “Unravelling the Rhetoric about Financial Reporting of Public Collections as Assets”, *Australian Accounting Review* 9 (1), 16-21.

Assignment Questions Due for Submission

- 1. Deegan – Review Question 5 (p.833 of the textbook)
- 2. Deegan – Review Question 10 (p.833 of the textbook)
- 3. Deegan – Review Question 11 (p.833 of the textbook)
- 4. Deegan – Review Question 14 (p.833 of the textbook)
- 5. Deegan – Challenging Question 22 (p.834 of the textbook)
- 6. Explain the position argued by Carnegie and Woelnizer (1999) with respect to the appropriate accounting treatment of heritage assets. Use the conceptual framework to evaluate the merits of their arguments. (Your answer should be about three pages.)

APPENDIX 1

THE DANGERS OF CHEATING AND PLAGIARISM AND HOW TO AVOID THEM

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 PLAGIARISM?

The Academic Senate in June 2001 approved policies and procedures to ensure that the University takes a consistent and equitable approach to plagiarism. The Senate adopted the following definition of plagiarism.

Definition: Plagiarism involves using the work of another person and presenting it as one's own. Any of the following acts constitutes plagiarism unless the source of each quotation or piece of borrowed material is clearly acknowledged.

- a) copying out part(s) of any document or audio-visual material (including computer based material);
- b) using or extracting another person's concepts, experimental results, or conclusions;
- c) summarising another person's work;
- d) in an assignment where there was collaborative preparatory work, submitting substantially the same final version of any material as another student.

Encouraging or assisting another person to commit plagiarism is a form of improper collusion and may attract the same penalties which apply to plagiarism.

Opportunities and temptations for plagiarism have increased with the spread of internet access. Plagiarism is a serious threat to the teaching and accreditation process, and seriously undermines the collegial and ethical principles which underpin the work of a University.

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.
- it devalues the grades and qualifications gained legitimately by other students.

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 tutor and/or lecturer. The University also offers help through the Dean of Students or the University Health and Counselling 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.

HOW TO PLAY IT 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 Faculty 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.

PENALTIES

Offences of plagiarism will attract penalties which at a minimum, will result in the deduction of all 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.