

MACQUARIE
UNIVERSITY



FACULTY OF
BUSINESS AND ECONOMICS

ACCG325
Financial Accounting
Theory and Practice

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:	Brian Millanta
Prerequisites:	39cp and ACCG224(P)
Credit points:	3

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 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, in-class presentation and assignments. This unit aims to develop a range of graduate capabilities in the 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:

Name	Location	Telephone Number	Email address	Role
Mr Brian Millanta	E4A 328	9850 8547	brian.millanta@mq.edu.au	Lecturer-in-charge & unit coordinator
Dr Parmod Chand	E4A 236	9850 6137	parmod.chand@mq.edu.au	Lecturer
Dr Philip Sinnadurai	E4A 334	9850 7101	philip.sinnadurai@mq.edu.au	Lecturer

CONSULTATION TIMES

Teaching staff will be available for individual consultation with students for a designated 2 hours per week. A timetable of when staff will be available will be posted on the ACCG325 website in the first week of semester. Although access to staff rooms is restricted for security reasons on most levels within the E4A building, staff can be contacted on the internal telephones by dialling the last 4 digits of their telephone number. Internal telephones are located in BESS and outside the lift area on each level within the E4A building.

If you are having difficulty with any aspect of the unit, you are strongly encouraged to seek immediate help 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 consultations by email. However, you may telephone staff during their consultation hours.

CLASSES

The unit requires 3 hours of face-to-face teaching per week consisting of 1 x 2 hour lecture (Wednesday from 4 pm to 6 pm) and 1 x 1 hour tutorial.

The timetable for classes can be found on the University web site at:
<http://www.timetables.mq.edu.au/>

UNIT WEB PAGE

Students should refer to the unit webpage for course material and any updates, announcements or general unit information.

You may access the ACCG325 webpage at <http://learn.mq.edu.au/> where you can log into Blackboard.

Please check the unit's webpage on a regular basis for important announcements.

REQUIRED AND RECOMMENDED TEXTS

The required text for this unit is P. Chand and L. Cummings, *ACCG323 Financial Accounting Theory and Practice*, (2010). This is the custom publication which is also used in ACCG323. Copies of this text are available on Library Reserve.

It is strongly recommended that students also purchase the *Accounting Handbook 2010*: Pearson Education, Australia which contains copies of Australian Accounting Standards and other professional pronouncements. However, you should note that copies of accounting standards may be downloaded free of charge from the AASB website at www.aasb.com.au.

Both texts may be purchased from the Coop Bookshop on campus.

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

TECHNOLOGY USED AND REQUIRED

Students will need access to the internet as lecture handouts and notices will be available from the unit's web page.

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 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.
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.
4. Undertake research to gather theoretical and practical-based 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

The unit relies heavily on assignment-based learning. In lectures, students are expected to grasp the main concepts and techniques that relate to the subject matter. In addition to the lecture materials it is expected that students will read specified references. Using the concepts and techniques presented in lectures or references, students are required to prepare solutions to weekly assignments.

Lecture material for each week will not be distributed in class but will be available online at the ACCG325 unit webpage, in the week before the lecture. It is the student's responsibility to obtain a copy of the lecture notes before class, in order to make the appropriate notes during lectures. The solutions to weekly assignment questions will be discussed in tutorials in the week following the designated lecture. It is expected that your tutor will lead and manage the discussion of assignment questions and that students will actively participate in the tutorial setting. The tutorials should be viewed by students as an active forum for any problems or difficulties that they are experiencing with the subject matter. In addition to the lecture notes, at the end of each week of tutorials, copies of the solutions to practical accounting problems only from that tutorial will be placed on the unit webpage. For theory questions, students are expected to have obtained a good summary of the main issues from their own study and from the tutorial discussion.

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The following weightings apply for unit assessment:

	<u>%</u>
Tutorial Assignments	10
Tutorial Presentations	5
In-class Tests	15
Research Essay	10
Final Examination	<u>60</u>
	<u>100</u>

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. Tutorial Presentations	5%		✓	✓	✓		✓
3. In-class Tests	15%	✓	✓	✓	✓	✓	✓
4. Research Essay	10%		✓	✓	✓		✓
5. Final Examination	60%	✓	✓	✓	✓	✓	✓

IMPORTANT FOR YOU TO NOTE:

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. TUTORIAL ASSIGNMENTS (10%)

During the semester, six of your weekly tutorial assignments will be collected for the purpose of assessing your ongoing effort throughout the semester. No advance notice will be given that a particular tutorial assignment will be collected. It is only possible to submit your assignment in the tutorial to which the assignment relates and the assignment may only be submitted you, not your agent. 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%. Your mark will be determined based on the best five of the six assignments collected. 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 percentage 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), earning 0 marks.

Where an assignment is collected during the first four weeks of semester it will be used as a low risk diagnostic task intended to identify students whose performance is unsatisfactory, either because they are having difficulty with the course content or are not putting in the level of effort required for successful completion of the unit. Students with unsatisfactory performance will be identified and asked to consult the tutor about ways to improve their performance.

II. TUTORIAL PRESENTATIONS (5%)

During the semester you will be required to prepare and present to the class your answer to a question from the weekly tutorial assignments. Your presentation will be graded out of 5 and will be determined based on both the technical correctness of the answer and on the quality of the presentation.

III. RESEARCH ESSAY (10%)

You are required to complete a research-based essay which is worth 10% of the overall assessment and which will require you to research beyond your textbook. The essay topic will be posted on Blackboard during the week commencing 23 August and is due for submission via the appropriately marked BESS (E4B106) assignment box no later than 6 pm on 6 October. As you will have approximately six weeks in which to complete this task, no extensions of time for submission will be approved and a penalty of 20% of the total available assignment marks will be imposed for each day or part thereof that the assignment is submitted late.

The assignment must not exceed 5 pages in length (excluding the bibliography). The assignment must be word-processed, single-spaced, and printed on one side only of A4 paper. Your student number must appear on the top right hand side of each page of the assignment. It must be accompanied by a properly referenced bibliography which employs the Harvard (Author-date) style. [Information on referencing may be obtained from the library web page: <http://www.library.mq.edu.au/research/referencing.html>] You must leave a left-hand margin of 4 cm. You must attach the 'individual assessment task' cover sheet which will be posted on the unit's Blackboard page. Assignments that do not fully comply with all of the requirements specified in this paragraph will not be marked.

Without exception, any evidence of plagiarism discovered in submitted assignments will result in a detailed investigation and may result in a fail grade in the unit and suspension from the University.

IV. IN-CLASS TESTS (15%)

During the semester there will be two in-class tests. These will be held in the tutorials on 15 September and 27 October. Each test will be approximately 30 minutes in duration. The test on 15 September will cover topics 1 to 5 whilst the test on 27 October will cover topics 6 to 10. The format of each test will be multi-choice questions.

The in-class tests are intended to be first a tool for enabling students to appreciate their level of understanding of topics covered, and secondly, an assessment item. Students whose performance in the tests is unsatisfactory should anticipate the need to change their study habits in order to pass the final examination.

There will be no supplementary in-class tests. Therefore, upon receipt of adequate documentation of misadventure or illness, absence from either or both tests will increase the weighting on the final examination to 68% (where 1 test is missed) or 75% (where both tests are missed). You must lodge an Advice of Absence form with the Student Centre within 7 days after the in-class test which you fail to sit and you must provide documentary evidence to support your absence. Advice of Absence forms lodged more than 7 days after the relevant in-class test will NOT be accepted and the marks allocated to the test(s) will be forfeited. Students approved for a final examination weighting of either 68% or 75% will be posted on the unit webpage.

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.

A 3 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: <http://www.timetables.mq.edu.au/exam>
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

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

GRADES

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

You should note the following in relation to grading:

- 1) In the Department of Accounting and Finance all final grades are determined by a grading committee; they are not the sole responsibility of the Unit Coordinator.

- 2) To be awarded a specific grade, students are required to perform at an equivalent standard in the final examination, as well as other assessments within the unit.
- 3) The grade that you receive at the end of semester will be accompanied by a Standardised Numerical Grade (SNG) which represents a number that is associated with the Grade (High Distinction, Distinction, Credit and so on) that a student is awarded. It is called a grade as it DOES NOT represent a summation of the individual assessment components; rather, it reflects where within the grading structure the student sits. As with any standardised grading system, scaling of raw marks may take place when we come to assign final grades. Your raw marks for the assessment tasks will be a guide - but only a guide - to the final grade that you might receive. For instance, a Grade/SNG of Cr/74 means that you have been assessed as achieving a Credit for the unit overall, with an SNG that puts you at the very top of the Credit band. It DOES NOT mean that you are just one raw mark off a Distinction. As another example, it is a requirement that to pass this unit you must pass the final examination. A student who accumulates overall marks of 50 or more but fails the final examination will receive a Fail Grade. A fail grade must have an SNG of 44 or less. Therefore an SNG of 44 does not necessarily represent the total marks accumulated by the student throughout the semester.

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](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.

CLASSROOM ETIQUETTE

Students are expected to be quiet during lectures unless, of course, class participation is required. Do not carry on private conversations as this is distracting for other students who are trying to listen to the lecturer. In addition, mobile phones should be switched off during classes, not simply set to "silent".

ACCG325 – FINANCIAL ACCOUNTING THEORY & PRACTICE
UNIT TIMETABLE - SEMESTER 2, 2010

<u>WEEK</u>	<u>DATES</u>	<u>LECTURE TOPIC</u>	<u>LECTURER</u>
1	4 August	The Australian Accounting Environment	B. Millanta
2	11 August	Introduction to Accounting Theory	P. Sinnadurai
3	18 August	Normative Accounting Theory	P. Sinnadurai
4	25 August	Positive Accounting Theory	P. Sinnadurai
5	1 September	Critical Dimensions in Accounting	P. Sinnadurai
6	8 September	Behavioural Research in Accounting	P. Sinnadurai
7	15 September	Ethics in Accounting	P. Chand
Mid-semester Recess (18 September to 4 October)			
8	6 October	International Harmonisation of Accounting	P. Chand
9	13 October	Accounting for Intangible Assets	P. Chand
10	20 October	Accounting for Heritage Assets and Biological Assets	P. Chand
11	27 October	Accounting for Leases	B. Millanta
12	3 November	Accounting for Employee Benefits	B. Millanta
13	10 November	Guest Lecturer and Revision	B. Millanta