

MACQUARIE  
UNIVERSITY



FACULTY OF  
BUSINESS AND ECONOMICS

ACCG399

Issues in Accounting  
Theory and Practice

2, 2011

*Department of Accounting and  
Corporate Governance*

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

<b>Year and Semester:</b>	<b>Semester 2, 2011</b>
<b>Unit convenors:</b>	<b>Parmod Chand and Esther Cheung</b>
<b>Prerequisites:</b>	<b>ACCG224 (P) and 42 cp</b>
<b>Credit points:</b>	<b>3</b>

Students in this unit should read this unit guide 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 is a capstone unit in accounting which provides students with the opportunity to integrate and advance their knowledge of the accounting materials covered in other courses. The unit's research and practice-based topics will equip students to enter into the accounting programs offered by CPA Australia and The Institute of Chartered Accountants in Australia (ICAA), or to undertake postgraduate studies in accounting upon completion of their undergraduate degree.

This unit is a combination of financial accounting, management accounting, auditing and information systems. The objectives of the unit are for students to critically evaluate accounting information and accounting standards through an understanding of the different theoretical and philosophical approaches to accounting that have evolved over time. Students also develop their technical accounting skills through an understanding of selected accounting standards. This unit allows students to advance their generic skills, particularly their analytical, critical and interpersonal skills. Furthermore, the various assessment tasks of this unit will enable students to further develop and reflect on the development of the graduate capabilities and how these have been achieved within their degree

**TEACHING STAFF**

	<b>Room</b>	<b>Telephone</b>
<b>Unit Coordinators:</b> Dr. Parmod Chand and Ms Esther Cheung	E4A 236	9850 6137
	E4A 219	9850 4773
<b>Other teaching staff:</b> Prof. Philomena Leung Prof. James Lau Mr Brian Millanta	E4A 336	9850 4413
	E4A 243	9850 8519
	E4A 328	9850 8547

Teaching staff only receives emails sent to the subject email account:

**accg399@mq.edu.au**

## CONSULTATION TIMES

Students will be notified of staff consultation hours during the first tutorial in week 2. The consultation timetable will also be made available on the unit's website.

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. 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

The total contact hours for this unit are 3 hours face-to-face teaching per week consisting of 1 x 2 hour lecture and 1 x 1 hour tutorial. These contact hours consist of Lectures and Tutorials. The lectures provide a general overview of the topics highlighting a number of concepts and techniques and tutorials complement lectures by providing opportunities to further explore all relevant concepts and techniques.

There are two lecture streams scheduled for ACCG399.

Time	Room
Tuesday 3 – 5pm	W5B 302 (Macquarie Theatre)
Tuesday 7 – 9pm	W5B 302 (Macquarie Theatre)

**To avoid overcrowding issues, you are required to attend your allocated lecture. Please do not attend a class if you are not enrolled.**

## LECTURES

Students should attend one two-hour lecture every week. Lecture slides will be available prior to the lectures, the Friday of the week before the lecture, at the unit's Web site. The lecture will also be available via ilecture after the lecture on Tuesday afternoon. The URL is: <http://learn.mq.edu.au>

## TUTORIALS

Each student must register for a tutorial and must attend the tutorial that he/she has registered for. There will be a one-hour tutorial each week from weeks 2 to 13. **Students must finalise their tutorial enrolment by end of Week 2.**

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

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

Tutorial changes can **ONLY** be made through eStudent. Students wishing to change tutorial times should log onto eStudent and enrol in a class where there is a vacancy. All questions of an administrative nature in respect of tutorial allocation should be addressed to Deputy Unit Coordinator. Other staff members will not deal with tutorial changes.

## REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Students are expected to have a copy of the following text, which is available from the Coop Bookshop on campus:

- **ACCG399 Issues in Accounting Theory and Practice, 1st ed., Prepared by Parmod Chand, McGraw-Hill, 2011**

This text is a compilation of selected chapters from a number of McGraw-Hill publications.

In addition, it is strongly recommended that students purchase the following text:

- **Accounting Handbook 2011 (Pearson Education, Australia)**

This publication contains copies of the accounting standards which apply in Australia. However, you should note that copies of accounting standards can be downloaded free of charge from the Australian Accounting Standards Board (AASB) website at [www.aasb.com.au](http://www.aasb.com.au)

## TECHNOLOGY USED AND REQUIRED

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

## UNIT WEB PAGE

- **It is essential to visit the unit web page regularly** as it contains important information about the unit. Unit outline, announcements, supplementary reading materials, lecture and tutorial materials are available to download via the web page.
- The unit web page can be found at: <http://learn.mq.edu.au>

## LEARNING OUTCOMES

The primary learning objective of this unit is to develop 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:

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Learning Outcomes	1	2	3	4	5	6
Discipline Specific Knowledge and Skills	x	x				x
Critical, Analytical and Integrative Thinking	x	x	x	x	x	
Problem Solving and Research Capability			x	x	x	
Creative and Innovative			x	x	x	
Effective Communication	x	x	x	x	x	
Engaged and Ethical Local and Global citizens						x
Socially and Environmentally Active and Responsible					x	x
Capable of Professional and Personal Judgement and Initiative	x	x	x	x	x	x

## TEACHING AND LEARNING STRATEGY

The teaching strategy in ACCG399 recognises that students learn independently and assume responsibility for the learning process. The teaching philosophy is articulated as follows:

- **Lectures – large group learning**

In lectures, students are expected to grasp the main concepts and techniques that relate to the subject matter. Students are expected to read the readings corresponding to the weekly topics prior to attending lectures. Lecture material for each week will not be distributed in class but will be available online at the ACCG399 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.

- **Independent learning – learning by doing**

ACCG399 relies heavily on independent learning where students read the relevant chapter, revise the lecture notes, prepare answers to the pre-set tutorial questions, and extend themselves by doing additional reading, questions, exercises and problems.

- **Tutorials –small group learning** Tutorials constitute a critical learning experience of this unit and students must attend them. The tutor will facilitate a highly student-centred discussion of answers to pre-set tutorial questions. A tutorial is also an active forum to present to the tutor difficulties that 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 of, copies of the solutions to practical accounting problems from that tutorial will be placed on the unit webpage. Review your tutorial notes, compare your answers to the model solutions and consult with staff during consultation hours.

## RESEARCH AND PRACTICE

- This unit gives you opportunities to conduct your own research with regard to the term assignment. Further information on the term assignment will be provided in lecture week 6 and will be made available on blackboard.

## RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The following summary table shows the weighting of the unit's assessment and indicates the alignment between the assessment tasks and learning outcomes.

Assessment Tasks	%	Learning Outcomes					
		1	2	3	4	5	6
1. Weekly Assignments	10	X	X	X	X	X	X
2. Quizzes	15		X	X	X		X
3. Term Assignment	15	X	X	X	X	X	X
4. Final Examination	60		X	X	X		X
<b>Total</b>	<b>100</b>	X	X	X	X	X	X

### I. WEEKLY ASSIGNMENTS (10%)

During the semester, four of your weekly tutorial assignments will be collected for the purpose of assessing your ongoing effort in the unit. **Advance notice will NOT be given that a particular tutorial assignment is to be collected.** You should note that it is only possible for you to submit your assignment in the tutorial in which you are enrolled and to which the assignment relates. The assignment must be submitted by you and not by an agent. **Students have to attend the full tutorial to submit assignments.**

You will get one of the following four marks for your weekly assignment:

**Excellent quality: 2.5 marks**  
**Good quality: 1.75 marks**  
**Poor quality: 1 mark**  
**Very poor quality / not submitted: 0 marks**

Detailed marking criteria will be provided on the unit's website.

At least one assignment will be collected during the first four weeks of semester. This will serve as a **low-risk diagnostic task** intended to identify students whose performance is unsatisfactory. Students who achieve a mark of less than 1.75 are considered 'students at risk'. Students at risk will be required to attend consultation to discuss their current performance. During consultation, staff members will provide individual assistance with the objective to continuously improve students' performance and to assist them in achieving learning outcomes.

## II. QUIZZES (15%)

As a way of consolidating the desired learning outcomes for some of the topics covered in the unit, there will be two (2) in-class (tutorial) quizzes during the semester with the first quiz worth 5% and the second quiz worth 10%, for a total of 15%. All quizzes will be conducted at the beginning of the tutorial class. Students have to take the quiz in the class that they are enrolled in. The quiz questions will be based on material covered in lectures and in the specified readings from the text. The quizzes are to be undertaken on a closed-book basis. Feedback on the quizzes will be provided to students in the tutorial two weeks from the date the quiz was undertaken.

- **Quiz 1 (5%): Tutorials in Lecture Week 5, week starting August 29**

Duration: 10 min

Content: Material covered in lecture week 1, 2, 3 and 4

- **Quiz 2 (10%): Tutorials in Lecture Week 10, week starting October 17**

Duration: 20 min

Content: Material covered in lecture week 5, 6, 7, 8 and 9

## III. Term Assignment (15%)

You are required to complete an individual term assignment as one of your assessment tasks. Assignment topic and detailed information on requirements will be provided via the unit's Blackboard page in lecture week 6. Detailed marking criteria will also be available on the unit's website.

**Submission:** In tutorials in lecture week 9, week beginning October 10, 2011.

**Length:** 2000 words

Your tutor is NOT authorised to grant you an extension. A penalty of 20% of the total available assignment marks will be imposed for each day or part thereof that the assignment is overdue.

## IV. 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 three (3) hour final examination for this unit will be held during the University Examination period.

**The University Examination period in Second Half Year 2011 is from November 14, 2011 to December 2, 2011.**

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](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>

**To pass the course a student's overall performance must be satisfactory, and additionally he/she must PASS the final examination.**

Your commitment to this unit should entail approximately 142 hours throughout the semester. An estimate of the amount of time that each task should take is shown in the following table

<b>Tasks</b>	<b>Total hours</b>
Weekly lecture attendance (2h per week)	<b>26</b>
Weekly tutorial attendance (1h per week)	<b>12</b>
Weekly readings, study, and preparation of tutorial assignments (4 hours per week)	<b>52</b>
Preparation for quizzes (Quiz 1: 5h ; Quiz 2: 10h)	<b>15</b>
Term assignment preparation	<b>15</b>
Final examination preparation	<b>22</b>
<b>Total</b>	<b>142</b>



## ABSENCES IN TUTORIALS – CONSIDERATION FOR MISSED ASSIGNMENTS

If you are absent from a tutorial and miss an assessment, you must comply with requirements as stated below. Compliance could result in: a) an adjustment as to how your tutorial-related work marks are calculated, and/or, b) an increase in the weighting of your final examination mark.

- 1) Students who are **absent from University for at least three (3) consecutive days duration** within a study period and as a consequence, cannot complete unit requirements, namely, weekly assignments, in-tutorial quizzes and the case study assignment must apply for **Special Consideration**. A copy of the form should also be shown to your tutor, if appropriate, upon return to the tutorial for noting in the attendance records.

The full policy is located at:

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

The form is available at:

<http://www.reg.mq.edu.au/Forms/APScons.pdf>

- 2) Students who are **absent in tutorials for two (2) consecutive days or less duration** within a study period and as a consequence cannot attend tutorials and complete tutorial-related work and in-tutorial quizzes must apply for Consideration. Students must fill in an '**Advice of Absence**' form and attach supporting documentation (e.g. medical certificate). Students are required to hand in the form according to the following guidelines:

- **Weekly assignments:** Hand the form to your tutor upon return to the tutorial.
- **In-tutorial quizzes:** Lodge the form at BESS on Level 1 of E4B.
- **Term assignment / absence of more than 3 days:** Submit special consideration according to details provided in 1).

The form is available at:

[http://www.businessandeconomics.mq.edu.au/faculty\\_docs/student\\_support/Advice\\_of\\_Absence\\_Form.pdf](http://www.businessandeconomics.mq.edu.au/faculty_docs/student_support/Advice_of_Absence_Form.pdf)

A copy of the form will also be made available on the unit's webpage.

If the student is absent in the tutorial in Week 13, the student must lodge the form at BESS of E4A or electronically to the Unit Coordinator ([accg399@mq.edu.au](mailto:accg399@mq.edu.au)) by Monday of Week 14.

## 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.businessandconomics.mq.edu.au/new\\_and\\_current\\_students/undergraduate\\_current\\_students/how\\_do\\_i/grade\\_appeals](http://www.businessandconomics.mq.edu.au/new_and_current_students/undergraduate_current_students/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.

## ACCG399 Lecture schedule and required readings

Week	Week beginning	Lecture Topic	Lecturer	Textbook Readings
1	1-Aug	Normative Theories of Accounting: Accounting for Changing Prices; Conceptual Framework Projects	Eva Heidhues	Pages 2-42 Pages 44 - 88
2	8-Aug	Positive Accounting Theory	Parmod Chand	Pages 96-149
3	15-Aug	Critical Review of Current Accounting Practice	Parmod Chand	Pages 162-228 Pages 244-268
4	22-Aug	International Accounting Convergence	Parmod Chand	Pages 412-461
5	29-Aug	Accounting for Heritage Assets and Biological Assets	Parmod Chand	Pages 646-676
6	5-Sep	Ethical Issues in Accounting: Ethical Reasoning	Philomena Leung	Pages 325-352
7	12-Sep	Ethical Issues in Accounting: Accountants' Ethical Decision Process and Professional Judgment	Philomena Leung	Pages 372-387
Mid-Semester Recess				
8	4-Oct	Accounting for Leases	Brian Millanta	Pages 526 - 563
9	10-Oct	Accounting for Employee Benefits	Brian Millanta	Pages 620-637
10	17-Oct	Accounting for Intangible Assets	Brian Millanta	Pages 572-605
11	24-Oct	Current Issues in Management Accounting I	James Lau	Pages 276-287 Additional Readings will be provided on unit's webpage
12	31-Oct	Current Issues in Management Accounting II	James Lau	Pages 291-317 Additional Readings will be provided on unit's webpage
13	7-Nov	Revision and Exam Guide	Esther Cheung	

### Tutorial questions and other relevant information

**NOTE: Tutorial questions are to be prepared prior to attending tutorial class**

Week	Week beginning	Tutorial Questions	Other information
1	1-Aug	No tutorial (tutorials commence in week 2)	
2	8-Aug	Q1: Text (p.43) - Question 5.4; Q2: Text (p.43) - Question 5.6; Q3: Text (p.44) - Question 5.18; Q4: Text (p.44) - Question 5.20; Q5: Text (p.89) - Question 6.13; Q6: Text (p.90) - Question 6.18.	
3	15-Aug	Q1: Text (p.150) - Question 7.5; Q2: Text (p.150) - Question 7.7; Q3: Text (p.150) - Question 7.12; Q4: Text (p.151) - Question 7.13; Q5: Text (p.151) - Question 7.14; Q6: Text (p.153) - Question 7.18.	
4	22-Aug	Q1: Text (p.230) - Question 9.4; Q2: Text (p.230) - Question 9.11; Q3: Text (p.230) - Question 9.15; Q4: Text (p.232) - Question 9.29; Q5: Text (p.268) - Question 12.4; Q6: Text (p.269) - Question 12.11.	
5	29-Aug	Q1: Text (p.462) - Question 4.3; Q2: Text (p.462) - Question 4.8; Q3: Text (p.462) - Question 4.11; Q4: Text (p.463) - Question 4.22; Q5: Text (p.464) - Question 4.24; Q6: Text (p.465) - Question 4.29.	<ul style="list-style-type: none"> <li>In tutorial Quiz 1 (held at beginning of class)</li> </ul>
6	5-Sep	Q1: Text (p.676) - Review Question 1; Q2: Text (p.676) - Review Question 2; Q3: Text (p.677) - Review Question 11; Q4: Text (p.677) - Review Question 13; Q5: Text (p.677) - Challenging Question 17; Q6: Text (p.678) - Challenging Question 21	<ul style="list-style-type: none"> <li>Term assignment details will be provided on unit's website</li> </ul>
7	12-Sep	To be advised	<ul style="list-style-type: none"> <li>Tutor returns Quiz 1</li> </ul>
Mid-Semester Recess			

8	4-Oct	To be advised	
9	10-Oct	To be advised	<ul style="list-style-type: none"> <li>• Submission Term Assignment (in tutorial)</li> </ul>
10	17-Oct	To be advised	<ul style="list-style-type: none"> <li>• In tutorial Quiz 2 (Held at beginning of class)</li> </ul>
11	24-Oct	To be advised	
12	31-Oct	To be advised	<ul style="list-style-type: none"> <li>• Tutor returns Quiz 2</li> </ul>
13	7-Nov	To be advised	<ul style="list-style-type: none"> <li>• Tutor returns Term Assignment</li> </ul>