

**MACQUARIE
UNIVERSITY**



**Faculty of Business and Economics
Department of Accounting and Finance**

**MASTER OF ACCOUNTING
(CPA EXTENSION)**

UNIT OUTLINE

**ACCG907
CPA – FINANCIAL REPORTING**

Semester 1, 2010

MACQUARIE UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
UNIT OUTLINE – ACCG907 FINANCIAL REPORTING

Year and Semester: 2010, Semester 1
Unit convenor: Leanne Lautensach

[Prerequisites / Corequisites:]

Students must successfully complete the 13 units (39 credit points) in the Master of Accounting (Professional) at Macquarie University before commencing the final 6 units (24 credit points) in the MAcc (CPA Extension) program, which includes this unit. The unit also assumes a specified level of knowledge has already been achieved, from the Master of Accounting (Professional) units ACCG862: Financial Accounting, and ACCG855: Company Accounting.

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 compulsory unit is designed to provide candidates with financial reporting, technical accounting and business skills and values that are applicable in a professional and global environment. In addition, the unit extends the generic skills program by further developing generic and specific professional skills such as ensuring standards and disclosure requirements are complied with correctly and writing reports and other communiqués to Management. The unit is facilitated through structured full time academic classes for students concurrently enrolled in both the Master of Accounting (CPA Extension) program, and the Financial Reporting segment (CPA 115) of the CPA program.

TEACHING STAFF

Leanne Lautensach (Unit Convenor) *Email:* llautens@efs.mq.edu.au
Graeme Burn *Email:* graeme.burn@syd.ddb.com

Student consultation in relation to any question about the course content or related issues can be facilitated by emailing their lecturer.

CLASSES

Sessions in this unit are offered at the following times:

- 6 – 9 pm Monday
- 6 – 9 pm Friday
- 9 – 12 midday Saturday

To satisfy the requirements of the course you are required to attend the scheduled class into which you are enrolled. Students are **not** permitted to move between classes and will not be permitted to submit any assessments at any time other than at the commencement of their enrolled class.

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

Prescribed Reference Materials

CPA Program: CPA 115 Financial Reporting, Deakin University, Geelong 2010

Module Topic Notes to be downloaded each week from Online Learning @MQ prior to class

Recommended Reference Materials

The following source reference will be used to provide practical application examples:

Alfredson, Leo, Picker, Pacter, Radford, Wise *Applying International Financial Reporting Standards*, enhanced edition. John Wiley & Sons Australia Ltd, 2009

Picker, Leo, Alfredson, Radford, Pacter, Wise *Australian Accounting Standards*. John Wiley & Sons Australia Ltd, 2006

Leo, K., Hoggett, J., Sweeting, J and Radford J., (2005) *Company Accounting In Australia*, 6th ed, John Wiley & Sons.

Other References

The following International Financial Reporting Standards (IFRS) with a focus on financial reporting :

IASB Framework for the Preparation and Presentation of Financial Statements
IASB and FASB ED: Conceptual Framework for Financial Reporting (August 2008)
IFRS 3 Business Combinations
IFRS 5 Non Current Assets Held for Sale and Discontinued Operations
IFRS 7 Financial Instruments: Disclosure
IAS 1 Presentation of Financial Statements
IAS 2 Inventories
IAS 7 Statement of Cash Flows
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
IAS 10 Events after the Reporting Period
IAS 11 Construction Contracts
IAS 12 Income Taxes
IAS 16 Property, Plant and Equipment
IAS 17 Leases
IAS 18 Revenue
IAS 19 Employee Benefits
IAS 27 Consolidated and Separate Financial Statements

IAS 28 Investments in Associates
IAS 31 Interests in Joint Ventures
IAS 32 Financial Instruments: Presentation
IAS 36 Impairment of Assets
IAS 37 Provisions, Contingent Liabilities and Contingent Assets
IAS 38 Intangible Assets
IAS 39 Financial Instruments: Recognition and Measurement
IAS 40 Investment Property
IFRIC 13 Customer Loyalty Programmes
IFRIC 15 Agreements for the Construction of Real Estate
SFAC 1 Objectives of Financial Reporting by Business Enterprises
SFAC 7 Using Cash Flow Information in Accounting Measurements
SFAS 157 Fair Value Measurements
SIC 21 Income Taxes – Recovery of Revalued Non-Depreciable Assets

Students will be required to use library resources to research beyond these materials in undertaking research necessary to complete their written presentation assignment.

The CPA 115 course materials have a reference list at the end of each module containing all references cited by the author. These provide some guidance to references that could be used to research an assignment on a particular issue.

UNIT WEB PAGE

Accessing Online Learning @ MQ

Type <http://learn.mq.edu.au/> into the URL/Address/Location field of your browser and then press the 'Enter' key on your keyboard.

Click on the 'LOGIN' button on the right of the screen.

Your username is your Macquarie Student ID number and your password is your "myMQ Student Portal" password issued on enrolment. Click login after entering these details.

Once you are logged in, click on the underlined 'ACCG907' unit link under the courses section of the page.

LEARNING OBJECTIVES AND OUTCOMES

The aim of this unit is to provide students with advanced knowledge of the various financial reporting standards, and the ability to apply this knowledge by preparing relevant reports and disclosures applicable to different legal and economic entities. The specific objectives of the concurrent CPA Financial Reporting and Disclosure segment, as outlined in the CPA Segment Outline 2010, include the ability to demonstrate knowledge and skills to:

- understand the application and basis of selected IFRSs set by the IASB;
- develop the necessary skills to apply IFRSs including the framework in the preparation of general purpose financial statements;
- preparation of general purpose financial statements;
- develop the financial analytical skills and ability to comprehend and explain details relating to general purpose financial statements; and
- attain skills and experience in the design and development of an entity's accounting system to maintain financial information and facilitate the preparation of general purpose financial statements.

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop their skills in the following:

Communication skills; and
Critical analysis skills.

TEACHING AND LEARNING STRATEGY

Each class will meet weekly for a 3 hour seminar during the semester. All scheduled classes are compulsory. In between classes, students are required to work through the relevant module(s) in the CPA program, CPA115 segment module, as well as work on assessment tasks.

Students are expected to fully study the course material and recommended readings of each CPA Module. You are encouraged to properly construct your own notes based on your reading, any additional comments, and supplements.

Each class will consist of an overview and discussion of the main content, concepts and issues from the relevant CPA115 Module topics. In addition, other activities will take place that seek to enhance and enrich understanding of the content, the readings and any accounting standards related to each module. This will include working through questions in the CPA material and discussing articles or actual financial statements that help demonstrate the topic more fully.

Students may be given an outline or material related to the topic by the lecturer, however it is important to understand that these are only intended to be used as an overview and guide.

Schedule of Topics

Week Commencing	Topic/Content	Assessment Due
February 8	Introduction of Unit Module 1: The framework and its application in financial reporting	
February 15	Module 2: Presentation of financial statements	
February 22	Module 2: Presentation of financial statements cont'd	
March 1	Module 3: Provisions, contingent liabilities and contingent assets and Details of assignment provided / Guidance from CME	Mandatory attendance
March 8	Module 4: Income Taxes	
March 13*	Mid Semester Exam – All Classes Same Day Modules 1 to 4 inclusive	Mandatory attendance (All)
March 15	Module 5: Financial Instruments	
March 22	Module 5: Financial Instruments cont'd and results for Mid Semester Exam	
March 29	No classes to be held	
April 5	Module 6: Business Combinations and group accounting	Assignment due at start of class
April 12	Module 7: Impairment of Assets	
April 17**	Final Exam – All Classes Same Day Modules 5 to 7 inclusive	Mandatory attendance (All)
April 19	Results for Final Exam and assignment feedback	
	CPA Exam: 4 th May 2010	

Note:

* Mid semester exam for all classes to be held together - Saturday afternoon 2pm to 4pm

** Final semester exam for all classes to be held together – Saturday afternoon 2pm to 3.30pm

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

Method of Assessment

Assessment in this unit will consist of the following:

	%
(a) In Class Individual Presentation	5%
(b) Mid Semester Exam – Modules 1 to 4 only	25%
(c) Final Semester Exam – Modules 5 to 7 only	20%
(d) Individual Assignment – Email to the Financial Controller	20%
(e) CPA Examination	30%
	100%

(a) In Class Individual Presentation (5%)

Each student will be doing a presentation to the class on an assigned topic by the lecturer, for a period of no longer than 5 minutes in length. The assigned topics will focus on a key aspect of a concept and its application within Modules 2 to 7. You will not be able to change from the topic that you have been assigned.

The individual presentations will take place each week and the presenters for the following week will be advised a week prior to their presentation. There will be no presentations in week one of the semester. The first presentations will take place in the week commencing February 15th and the presenters will be advised in the class commencing February 8th.

The marks for this individual presentation will be split between the validity of the technical content (3 marks) and the appropriateness of the communication performed (2 marks). More specific requirements will be distributed in class in the week commencing February 8th.

If you do not attend the class for your assigned presentation, no marks will be awarded for this component.

(b) Mid Semester Exam – Modules 1 to 4 only (25%)

A mid semester exam will be held on Saturday 13 March for all classes. It will consist of a combination of multiple choice questions and short answer questions. The objective of this assessment is to test the technical application of accounting standards.

(c) Final Semester Exam – Modules 5 to 7 only (20%)

A final semester exam will be held on Saturday 17 April for all classes. It will consist of a combination of multiple choice questions and short answer questions. The objective of this assessment is to test the technical application of accounting standards.

(d) Individual Assignment (20%)

Specific details of the requirements of the assignment will be provided to you in class on the week commencing March 1. You will be provided with information regarding a company that you currently work for in the capacity of a recently qualified financial accountant. You will be asked to prepare an email to the Financial Controller commenting on three aspects:

- Several technical issues that will be given and their financial reporting and disclosure implications for the current year financial statements;
- Review of completeness of disclosures made in the current year financial statements and
- Challenges in certain information required for financial statement preparation.

A session with the Centre for Macquarie English (CME), formerly NCELTR, will be held in class in the week commencing March 1st to advise on appropriate communication and language skills in preparing such an email for the Financial Controller. The CME lecturer will focus on four main aspects of effective communication: Structure, Written Expression, Tone and Presentation.

The marks for this assignment will be split between the validity of the technical content (15 marks) and the appropriateness of the communication performed (5 marks).

The objective of the assignment is to understand the technical application of accounting standards as they apply to financial reporting and the consequences of management decision making and data collection.

Assignment Submission Requirements

This semester all ACCG907 students will be required to submit assignments electronically to the *Turnitin* website.

Turnitin is an internet database that identifies papers containing unoriginal material. All students will be provided with a Student User Guide for Turnitin which contains instructions of how to register and use the Turnitin website.

When submitting assignments for ACCG907 students must complete all the steps below:

Submit your assignment to *Turnitin*: when you submit your assignment the *Turnitin* website will produce an Originality Report. The Originality Report must be printed and submitted in hard copy with your assignment by the due date as instructed by your lecturer.

A Cover Sheet must be attached to the front of your assignment when submitted in hard copy. The cover sheet must be signed and dated. Coversheets can be downloaded from http://www.efs.mq.edu.au/student_support/eric

You will require the information below to use *Turnitin* as a student enrolled in ACCG907.

Class ID: 3102514
Enrolment Password: ACCG907

You will need the above *Class ID* and *Enrolment Password* when you register and create your user profile in *Turnitin* or when you add the class to your existing Turnitin user profile

If you have already use Turnitin in a previous trimester/semester you can add a new class to your current user profile. Please refer to section 3 "Enrolling in a new Class" of your Turnitin Student User Guide.

PENALTIES WILL APPLY TO STUDENTS WHO FAIL TO FOLLOW THESE INSTRUCTIONS. IT IS THE STUDENT'S RESPONSIBILITY TO COMPLETE THESE REQUIREMENTS.

(d) CPA Examination (30%)

The CPA Examination is a 3 hour open book exam consisting of multiple choice questions worth 75% of the marks and written responses worth 25%, which will take place on 4th May 2010 (am).

Students are advised that the CPA examination is conducted by CPA Australia and in accordance with their rules and regulations. It is the responsibility of students to be aware of the rules and requirements of CPA Australia, the venue and time for the examination.

Students enrolled in the CPA component of the Master of Accounting (CPA Extension) program are required to submit their CPA Examination results at the end of each semester to the Master of Accounting office. Students will be notified by email on how to supply their CPA examination results to the university and deadlines for submission. This information is also available on the Accounting website at: <http://www.accg.mq.edu.au/macc/admin/news.htm>

If students do not submit their CPA examination results by the deadline for submission they may receive a Fail grade.

Students will be notified by email through their official Macquarie University student email account.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own." Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

Cheating and Plagiarism

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 Cheating?

You will be guilty of cheating if you do any of the following:

1. Copy from another student during a test or examination. This is cheating whether or not there is collusion between the students involved. Collusion with another student who wishes to cheat from you exposes both parties to penalties under University Regulations.
2. Use or paraphrase the work of others, including any document, audio-visual or computer-based material, when preparing an assignment or writing an examination, and pretend it is your own work by not acknowledging where it came from.
3. Copy from another student's coursework whether that copying is with or without the knowledge of that student. This includes:
 - copying all or part of someone else's assignment
 - allowing someone else to copy all or part of your assignment
 - providing your assignment (or other materials for an assignment) to another student
 - having someone else do all or part of an assignment for you
 - doing all or part of someone else's assignment for them.
4. Make up data and fabricate results in research assignments.
5. Impersonate someone else in an examination or test, or arrange such impersonation.
6. Use forbidden material in a test or examination, whether in printed or electronic form. For example, attempting to use a non-standard calculator in a restricted calculator examination.

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;
- devalues the grades and qualifications gained legitimately by other students; and
- fails to allow you demonstrate your own understanding of the material.

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 lecturer. Staff at the Centre for Macquarie English are also an excellent resource for plagiarism questions and language issues. The University also offers help through the Dean of Students or the University Health and Counseling 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. You might also want to have group discussions with your colleagues to debate the different issues surrounding a form of assessment. However the work you submit for your assessment must be in your own words and must not be those of another person.

How to Play 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 Division 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.

Penalties

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

DETERMINATION OF OVERALL GRADE

Student Results for the course will consist of a Standardised Numerical grade (SNG) expressed as a number between 0 and 100, and a grade denoted by a letter HD, D, Cr, P, PC, or F.

To be eligible to obtain a pass grade or better, it is necessary to:

- attend all classes (unless absence is excused)
- satisfactorily attempt ALL assessment components, AND
- obtain a PASS in the CPA external examination, AND
- obtain a PASS in the 70% Macquarie University assessment

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).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results.

It is important that you realise that the policy does not require that a minimum number of students are to be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit. The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another also receives a higher final scaled mark.

For an explanation of the policy see:

<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or
<http://www.mq.edu.au/senate/MQUonly/Issues/detailedguidelines.doc>.

STUDENT SUPPORT SERVICES

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

Specific support can also be sourced at CME (formerly NCELTR). Our contact for this unit is Lindsey Stockdale, located in Building E3B. She can be contacted on 9850 6071.