

MACQUARIE  
UNIVERSITY



FACULTY OF  
BUSINESS AND ECONOMICS

ACCG907  
CPA – Financial Reporting

Semester 1, 2011

*Department of Accounting and Corporate  
Governance*

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

**Year and Semester:** 2011, 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 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 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:* [l\\_lautensach@hotmail.com](mailto:l_lautensach@hotmail.com)

**CONSULTATION TIMES**

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during a mutually agreed time. The lecturer in this unit will be available during class breaks and after the lecture has finished. In addition, student consultation in relation to any question about the course content or related issues can be facilitated by emailing their lecturer. Responses will be within 48 hours or as otherwise advised.

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately and not wait until the final weeks of semester.

## **CLASSES**

Sessions in this unit are offered at the following times:

- 6 – 9 pm                      Friday – Room C5A 301
- 9 – 12 midday                Saturday – Room E7B 200

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 January 2011

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*, 2nd edition. John Wiley & Sons Australia Ltd, 2009
- Leo, K., Hoggett, J., Sweeting, J and Radford J., (2008) *Company Accounting In Australia*, 8<sup>th</sup> 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 Conceptual Framework for Financial Reporting 2010

IFRS 3 Business Combinations

IFRS 5 Non Current Assets Held for Sale and Discontinued Operations

IAS 1 Presentation of Financial Statements

IAS 2 Inventories

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 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

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

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.

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

### **LEARNING 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 2011, include the ability to demonstrate knowledge and skills to:

1. Understand the application and basis of selected IFRSs set by the IASB;
2. Develop the necessary skills to apply IFRSs including the framework in the preparation of general purpose financial statements;
3. Preparation of general purpose financial statements;
4. Develop the financial analytical skills and ability to comprehend and explain details relating to general purpose financial statements; and
5. 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 statement
6. Critically analyse financial statements for missing or incomplete disclosure
7. Communication skills of technical issues to management

## 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	7
Discipline Specific Knowledge and Skills	✓	✓	✓	✓	✓		
Critical, Analytical and Integrative Thinking	✓				✓	✓	
Problem Solving and Research Capability	✓			✓	✓	✓	✓
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		✓	✓	✓	✓	✓	✓

## 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 14	No classes to be held	
February 21	Introduction of Unit Module 1: The framework and its application in financial reporting	
February 28	Module 2: Presentation of financial statements	
March 7	Module 3: Provisions, contingent liabilities and contingent assets and details of assignment provided / Guidance from CME	<b>Mandatory attendance (All)</b>
	<b>Saturday March 12<sup>th</sup> Mid Term Exam: Modules 1 to 3 inclusive 1.00 to 2.00pm</b>	<b>Mandatory attendance (All)</b>
March 14	Module 4: Income Taxes	
March 21	Module 5: Financial Instruments and results of mid-term exam	
March 28	Module 5: Financial Instruments cont'd	
April 4	Module 6: Business Combinations and group accounting	
April 11	Module 7: Impairment of Assets	Assignment Due
	<b>Saturday April 16<sup>th</sup> Final Exam: Modules 4 to 7 inclusive 2.00 to 4.30pm</b>	<b>Mandatory attendance (All)</b>
April 25	Results of Final Exam, assignment feedback and group presentations	<b>Mandatory attendance (All)</b>
	CPA Exam: 6 <sup>th</sup> May 2011	

## RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

### Method of Assessment

Assessment in this unit will consist of the following:

Assessment Tasks	Value	Learning Outcomes						
		1	2	3	4	5	6	7
(a) In Class Group Presentation	10%	✓				✓		✓
(b) Mid Semester Exam – Modules 1 to 3 only	15%	✓	✓	✓			✓	
(c) Final Semester Exam – Modules 4 to 7 only	25%	✓	✓	✓			✓	
(d) Assignment – Email to Controller	20%			✓	✓	✓	✓	✓
(e) CPA Examination	30%	✓	✓	✓	✓			
	100%							

#### (a) In Class Group Presentation (10%)

In the week commencing February 21<sup>st</sup>, each student will be assigned to a group of no more than 4 students. Each group will then be allocated a topic by the lecturer. The assigned topics will focus on a key aspect of a concept and its application within Modules 1 to 7. You will not be able to change from the group or the topic that you have been assigned.

The group presentations will all take place in the week commencing April 25<sup>th</sup>. The group presentation should be no longer than 5 minutes in length and all students in the group must participate in the presentation. The marks for this group presentation will be split between the validity of the technical content (6 marks) and the appropriateness of the communication performed (4 marks). Each student in the group will receive the same mark awarded for the group presentation. It is very important that each student actively participates in the preparation and delivery of the presentation.

If you do not attend the class for your group presentation, no marks will be awarded to the individual student for this component.

#### (b) Mid Semester Exam – Modules 1 to 3 only (15%)

A mid semester exam will be held on Saturday March 12<sup>th</sup> in the afternoon 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. On the week commencing March 21<sup>st</sup>, you will receive a feedback summary sheet of your marks by question by module. All questions and answers will be reviewed in class, with the focus on those areas where people most struggled. Your actual exam paper will not be returned.

This first test is an early diagnostic assessment, the results of which will be indicative of the student's application to achieving the learning outcomes of the unit. Students who achieve poor results in this test should consult the teaching staff regarding strategies for improving their performance.

(c) Final Semester Exam – Modules 4 to 7 only (25%)

A final semester exam will be held on Saturday April 16<sup>th</sup> in the afternoon 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. On the week commencing April 25<sup>th</sup>, you will receive a feedback summary sheet of your marks by question by module. All questions and answers will be reviewed in class, with the focus on those areas where people most struggled. Your actual exam paper will not be returned.

(d) Individual Assignment (20%)

Specific details of the requirements of the assignment will be provided to you in class on the week commencing March 7<sup>th</sup>. 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 7<sup>th</sup> 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 assignment is due at the commencement of your class in the week commencing April 11<sup>th</sup>.

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). You will receive two summary sheets of marks for the assignment. One will be of the technical marks, summarised by aspect (i.e. technical issue, disclosure completeness and challenges in financial statement preparation) and the other summary sheet with comments will be from CME on the four aspects of effective communication, providing you with your total assignment mark. You will receive back the CME marked up version of your assignment for personal reference and we will go through the expected technical points in class on week commencing April 25<sup>th</sup>.

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](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: 3356772

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 6<sup>th</sup> May 2011 (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.

## **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 finalised 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/policy/docs/academic\\_honesty/policy.html](http://www.mq.edu/policy/docs/academic_honesty/policy.html)

## **GRADES**

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.

Macquarie University's Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a Standardised Numerical Grade (SNG).

The Standardised Numerical Grade (SNG) is not a summation of the individual assessment components.

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

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>

## **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.businessandeconomics.mq.edu.au/for/new\\_and\\_current\\_students/undergraduate/admin\\_central/grade\\_appeals](http://www.businessandeconomics.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](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 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.

## **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. 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. Students are reminded to communicate to staff only through the Macquarie University email as this is the only official channel.