



# ACCG326

## International Financial Accounting

MQC2 Day 2014

*Dept of Accounting & Corporate Governance*

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#### **Disclaimer**

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## General Information

Unit convenor and teaching staff

Unit Convenor

Adrian Koit

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Contact via [adrian.koit@mqc.edu.au](mailto:adrian.koit@mqc.edu.au)

Credit points

3

Prerequisites

39cp including ACCG224(P)

Corequisites

Co-badged status

Unit description

This unit is an advanced unit that aims to provide students with a comprehensive understanding of international financial accounting and reporting issues. It encourages students to become aware of the complexities inherent in international financial accounting and reporting. This unit offers broad and in-depth coverage of topics including: international accounting patterns and development; comparative international accounting practices; international financial reporting standards; international financial statement analysis; global harmonisation/convergence of accounting standards; international corporate governance and control; international transfer pricing and performance evaluation; and comparative international auditing. 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.

## Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

## Learning Outcomes

On successful completion of this unit, you will be able to:

Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.

Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.

Gain an appreciation of the issues and problems facing international companies in organizing, managing, planning, controlling and evaluating, their global operations.

Develop and strengthen generic skills in the areas of report writing and topic discussion. Demonstrate awareness of social, ethical and corporate governance issues affecting accounting and the role of accountants internationally.

Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## Assessment Tasks

Name	Weighting	Due
<u>Class Tests</u>	15%	Week 4; Week 7; Week 9
<u>Group Case study/report</u>	20%	Week 10
<u>Group Presentation</u>	10%	Week 10
<u>Final Examination</u>	55%	University Examination Period

### Class Tests

Due: **Week 4; Week 7; Week 9**

Weighting: **15%**

The Class tests will be held in week 4, week 7, and week 9:

Test 1 held in Week 4 (weighting is 5%);

Test 2 held in Week 7 (weighting is 5%);

Test 2 held in Week 9 (weighting is 5%).

Penalties

Students who are absent from the class test(s) will be awarded a mark of 0 for the task, except

for cases in which an application for special consideration is made and approved.

On successful completion you will be able to:

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.
- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
- Gain an appreciation of the issues and problems facing international companies in organizing, managing, planning, controlling and evaluating, their global operations.
- Demonstrate awareness of social, ethical and corporate governance issues affecting accounting and the role of accountants internationally.

## Group Case study/report

Due: **Week 10**

Weighting: **20%**

Submission

To be submitted at the commencement of your enrolled class in Week 10

Extension

No extensions will be granted.

Penalties

Late submission of the group case study/report will be accepted up to 24 hours after the submission deadline. There will be a deduction of 50% of the total available marks made from the total awarded mark for each 24 hour period or part thereof that the submission is late (for example, 25 hours late in submission - 100% penalty). This penalty does not apply for cases in which an application for special consideration is made and approved.

On successful completion you will be able to:

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations,

and the role that the accounting profession, government and other bodies have in that regulation.

- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
- Gain an appreciation of the issues and problems facing international companies in organizing, managing, planning, controlling and evaluating, their global operations.
- Develop and strengthen generic skills in the areas of report writing and topic discussion.
- Demonstrate awareness of social, ethical and corporate governance issues affecting accounting and the role of accountants internationally.
- Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## Group Presentation

Due: **Week 10**

Weighting: **10%**

### Submission

Each group is required to prepare a 15 minute presentation. This presentation will be made in Week 10.

### Extension

No extensions will be granted.

### Penalties

Students who are absent from the presentation will be awarded a mark of 0 for the task, except for cases in which an application for special consideration is made and approved.

On successful completion you will be able to:

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.

- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
- Gain an appreciation of the issues and problems facing international companies in organizing, managing, planning, controlling and evaluating, their global operations.
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- Demonstrate awareness of social, ethical and corporate governance issues affecting accounting and the role of accountants internationally.
- Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## Final Examination

Due: **University Examination Period**

Weighting: **55%**

Examination conditions

A time-limited (3 hour) invigilated closed book final examination will be held in order to assess students body of knowledge and critical thinking skills.

Non-programmable calculators with no text-retrieval capacity are allowed.

No other books, aids or other materials are permitted.

Dictionaries are not permitted.

What is required to complete the unit satisfactorily

Students must attempt all assessment tasks and achieve an overall mark of fifty (50) percent to be considered satisfactory.

**If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of the similar format as the final examination.**

On successful completion you will be able to:

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.

- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
- Gain an appreciation of the issues and problems facing international companies in organizing, managing, planning, controlling and evaluating, their global operations.
- Demonstrate awareness of social, ethical and corporate governance issues affecting accounting and the role of accountants internationally.
- Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## **Delivery and Resources**

### **Classes**

- There are 3 hours of contact for learning per week (13 weeks). Students are expected to attend all seminars during the teaching session.
- The timetable for classes can be found on the University web site at: <http://www.timetables.mq.edu.au/>
- Changes to seminar times are managed by the on-line enrolment system. It is not necessary to contact members of staff about class changes. On-line enrolment changes to classes will be shut down at the end of week three so all changes must be finalised by then.

### **Consultation**

- Consultation times can be arranged by emailing your lecturer. A suitable time will then be arranged between you and the lecturer.

### **Required and Recommended Texts and/or Materials**

- Prescribed Textbook: International Accounting, 3rd edition, Douppnik and Perera (McGraw-Hill).
- Additional materials will be made available on ilearn or eReserve.

### **Technology Used and Required**

- Access to a personal computer is required in order to access ilearn. Students need to have knowledge about downloading materials from ilearn.
- Students are required to conduct their own research and should be familiar with library

databases.

- Students are required to use word processing and presentation software.

## Unit Web Page

- Unit materials, announcements and other relevant information are found on iLearn for the unit at: <http://ilearn.mq.edu.au>.
- Students are expected to visit the unit webpage on a regular basis.

## Learning and Teaching Activities

- Students are expected to read the prescribed readings and seminar materials prior to attending the classes. Students are also expected to attempt the seminar questions prior to attending the classes and to participate in class discussions and group work.

## What is required to complete the unit satisfactorily

- Students must attempt all assessment tasks and achieve an overall mark of fifty (50) percent for coursework to be considered satisfactory.

## Changes since the last offering of this unit

- Change in assessment task

## Unit Schedule

Week	Lecture Topic	Main Lecture Content	Textbook Chapter
1	Introduction to International Accounting and Reporting	<ul style="list-style-type: none"><li>• International development of accounting</li><li>• National differences in accounting</li><li>• Major factors in development</li></ul>	Chapter 1
2	International Accounting Patterns and Development	<ul style="list-style-type: none"><li>• Reasons for accounting diversity</li><li>• Problems caused by diversity</li><li>• Classification of accounting and reporting systems</li><li>• The influence of culture on financial reporting</li></ul>	Chapter 2



3	Accounting Standards and International Convergence Current Issues in International Accounting (Research Seminar)	<ul style="list-style-type: none"> <li>• Historical background</li> <li>• Harmonisation/convergence and arguments for/against</li> <li>• Major harmonisation/convergence efforts</li> <li>• IFRS/GAAP convergence</li> <li>• Use of IFRS</li> </ul>	Chapter 3
4	International Financial Reporting	<ul style="list-style-type: none"> <li>• Recognition and measurement standards</li> <li>• Disclosure and presentation standards</li> <li>• Differences between IFRS and US GAAP</li> <li>• Differences and financial statement analysis</li> </ul>	Chapter 4
5	Comparative International Accounting I	<ul style="list-style-type: none"> <li>• Accounting systems - China and Japan</li> </ul>	Chapter 6
6	Comparative International Accounting II	<ul style="list-style-type: none"> <li>• Accounting systems - USA and Germany</li> </ul>	Chapter 6
7	International Transparency, Disclosure and Financial Statement Analysis	<ul style="list-style-type: none"> <li>• Transparency and international disclosure regulation</li> <li>• Reporting trends</li> <li>• Pressures for transparency and disclosure</li> <li>• Financial statement analysis</li> </ul>	Chapter 10
8	Additional Reporting Issues - International Business Combinations and Segment Reporting	<ul style="list-style-type: none"> <li>• Aggregation of information through consolidation</li> <li>• Acquisition and merger accounting</li> <li>• Treatment of nonconsolidated subsidiaries</li> <li>• Harmonisation efforts regarding consolidation practices</li> <li>• Conceptual issues involved in accounting for goodwill and intangibles</li> </ul>	Chapter 9
9	International Transfer Pricing	<ul style="list-style-type: none"> <li>• Decentralisation and goal congruence</li> <li>• Objectives of international transfer pricing</li> <li>• Transfer pricing methods</li> <li>• Enforcement of transfer pricing regulations</li> </ul>	Chapter 12

10	International Performance Evaluation	<ul style="list-style-type: none"> <li>• Design of effective performance evaluation systems</li> <li>• Performance measures</li> <li>• Financial versus nonfinancial measures of performance</li> <li>• Separating managerial and unit performance</li> </ul>	Chapter 13
11	International Auditing and Corporate Governance	<ul style="list-style-type: none"> <li>• Governance mechanisms</li> <li>• Importance of global corporate governance</li> <li>• Studies in international corporate governance</li> <li>• International differences in corporate governance</li> </ul>	Chapter 14
12	International Corporate Social Reporting	<ul style="list-style-type: none"> <li>• The meaning of corporate social reporting (CSR)</li> <li>• Theories underpinning CSR practices</li> <li>• International CSR disclosure practices</li> <li>• Current trends</li> </ul>	Chapter 15
13	Revision		

## Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy [http://mq.edu.au/policy/docs/academic\\_honesty/policy.html](http://mq.edu.au/policy/docs/academic_honesty/policy.html)

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy [http://mq.edu.au/policy/docs/grievance\\_management/policy.html](http://mq.edu.au/policy/docs/grievance_management/policy.html)

Disruption to Studies Policy [http://www.mq.edu.au/policy/docs/disruption\\_studies/policy.html](http://www.mq.edu.au/policy/docs/disruption_studies/policy.html) *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

## Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of

Conduct: [https://students.mq.edu.au/support/student\\_conduct/](https://students.mq.edu.au/support/student_conduct/)

## 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>

## 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 Policy

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/policy.html](http://www.mq.edu.au/policy/docs/special_consideration/policy.html)

## Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

## Learning Skills

Learning Skills ([mq.edu.au/learningskills](http://mq.edu.au/learningskills)) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

## Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

## Student Enquiries

For all student enquiries, visit Student Connect at [ask.mq.edu.au](http://ask.mq.edu.au)

## IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

## Graduate Capabilities

### Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

## Learning outcomes

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.
- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
- Gain an appreciation of the issues and problems facing international companies in organizing, managing, planning, controlling and evaluating, their global operations.

## Assessment tasks

- Class Tests
- Group Case study/report
- Group Presentation
- Final Examination

## Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

## Learning outcomes

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.
- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
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- Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## **Assessment tasks**

- Class Tests
- Group Case study/report
- Group Presentation
- Final Examination

## **Problem Solving and Research Capability**

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

This graduate capability is supported by:

## **Learning outcomes**

- Gain an understanding of differences in accounting methods and disclosure practices and how accounting and corporate disclosure is regulated in a range of different nations, and the role that the accounting profession, government and other bodies have in that regulation.
- Gain an understanding of the cultural, economic, political and historical factors that help explain differences and similarities in patterns of accounting and regulation across nations, and how these factors may influence the move towards international harmonization.
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- Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## Assessment tasks

- Group Case study/report
- Group Presentation
- Final Examination

## Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms effective with different audiences. We want our graduates to take with them the capability to read, listen, question, gather and evaluate information resources in a variety of formats, assess, write clearly, speak effectively, and to use visual communication and communication technologies as appropriate.

This graduate capability is supported by:

## Learning outcomes

- Develop and strengthen generic skills in the areas of report writing and topic discussion.
- Learn independently and assume responsibility for the learning process and with academic integrity and learn with peers to co-operate with others and assume leadership.

## Assessment tasks

- Group Case study/report
- Group Presentation
- Final Examination

## Research & Practice

- Research findings are used to underpin theories and concepts. This unit uses research by Macquarie University researchers and from external sources.
- This unit gives you practice in applying research findings in your assignments
- This unit gives you opportunities to conduct your own research