



ACCG871

Advanced Corporate Accounting

S2 Evening 2015

Dept of Accounting & Corporate Governance

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General Information

Unit convenor and teaching staff

Unit Convenor

Brian Millanta

brian.millanta@mq.edu.au

Contact via accg871@mq.edu.au

E4A328

Friday 4 pm to 6 pm

Credit points

4

Prerequisites

ACCG612 or ACCG926

Corequisites

Co-badged status

Unit description

This is an advanced unit in financial accounting that deals with accounting for business operations conducted through a corporate group from the perspective of the practitioner. The main topic of the unit is the techniques of consolidation accounting used to prepare the consolidated financial statements for a corporate group. The unit also considers the compilation of cash flow statements, accounting for income tax, accounting for business combinations, asset impairment, the translation of foreign operations, accounting for associated entities, and sustainability accounting.

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:

Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;

Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;

Critically assess the nature of a business combination and apply the steps in the

acquisition method of accounting for business combinations;

Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;

Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-controlling interests.

Assessment Tasks

Name	Weighting	Due
<u>1. Class test</u>	15%	Week 4 and 11
<u>2. Assessed Coursework</u>	10%	Weekly
<u>3. Assignment</u>	15%	23 October 2015
<u>4. Final Examination</u>	60%	University Exam Period

1. Class test

Due: **Week 4 and 11**

Weighting: **15%**

There will be assessable tasks to be completed in the classes in weeks 4 and 11. The task in week 4 will relate to topics from weeks 1 to 3; the task in week 11 will deal with topics from weeks 4 to 10. The task in week 4 will be of 30 minutes in duration and will be worth 5% of the total mark. The task in week 11 will be 1 hour in duration and will be worth 10% of the total mark. The tasks may require the completion of a practical question and/or the answering of a number of multiple-choice questions. The aim of these assessable tasks is to provide you with on-going feedback relating to your understanding and learning progress within the course. The tasks are worth 15% of the overall assessment. Each task will be conducted under closed-book examination conditions. Students who fail a class should discuss their situation with the unit convenor to canvass remedial measures.

Extensions

No extensions will be granted. Students who have not attempted an in-class task will be awarded a mark of 0 for the test, except for cases in which an application for Disruption to Studies is made and approved. Note that there will be no supplementary tests. Students who are absent from the

first task will increase the weighting on the second in-class task and vice versa.

Penalties

Students who do not complete a class test will be awarded a mark of zero for the task, except for cases in which an application for disruption to studies is made and approved.

Students who do not attend the class for a week in which an assessable task is scheduled can make an application for disruption to studies only if they have valid grounds to do so. Where the application is approved, the marks for that task will be reallocated as indicated above. In other cases, the marks for the task will be forfeited.

On successful completion you will be able to:

- Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;
- Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;
- Critically assess the nature of a business combination and apply the steps in the acquisition method of accounting for business combinations;
- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;
- Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-controlling interests.

2. Assessed Coursework

Due: **Weekly**

Weighting: **10%**

Independent work on assignment exercises and problems is fundamental to satisfying the learning objectives of this unit. You are not expected to always have the right answers from your independent work but you are expected to make a significant attempt at assignment questions before each seminar. It is expected that, in addition to attendance at the weekly seminars, you will spend at least ten hours per week working on assignments and preparing for the next seminar.

During the session, five of your weekly assignments will be collected for the purpose of assessing your ongoing effort in the unit. Advance notice will NOT be given that a particular

assignment is to be collected. You should note that it is only possible for you to submit your assignment **in the class of the week in which it is due**. The assignment must be **submitted by you and not by an agent**. If you do not attend a seminar and that week's assignment is collected, the marks for that assignment are automatically forfeited unless you make a successful application for Disruption to Studies. In this case the marks for the missed assignment will be reallocated to the other collected assignments.

Your mark will be determined using the following grading system:

Ø A satisfactory assignment will be graded as "S" (satisfactory) and will earn 2 marks. To receive an "S", the student must have made a genuine attempt to provide a comprehensive answer to ALL of the questions in that assignment.

Ø Where the majority of the assignment's questions have been comprehensively answered but where either (1) a small number of questions have been answered in a perfunctory manner OR (2) ONE of the questions has NOT been attempted, the assignment will receive an "I" (incomplete) grade and will earn 1 mark.

Ø Where more than one question in an assignment has not been attempted, or where the majority of questions have not been comprehensively answered, the assignment will be graded as "U" (unsatisfactory) and will earn zero marks.

It is your responsibility to correct your assignment during the seminar. With this in mind, and so that your in-seminar corrections can be distinguished from your pre-prepared answer, it is mandatory that all weekly assignments be word-processed or typed. Handwritten assignments will **not** be accepted for grading.

On the front page of each weekly assignment that you submit you must include your full name and your student number.

Submission: In class in week in which assignment is due

Extension: No extensions are available

Penalties: Loss of marks for the assignment (i.e. 2 marks for each collected assignment not submitted)

On successful completion you will be able to:

- Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;
- Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;
- Critically assess the nature of a business combination and apply the steps in the acquisition method of accounting for business combinations;
- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;
- Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-controlling interests.

3. Assignment

Due: **23 October 2015**

Weighting: **15%**

You are required to complete a major assignment as one of your assessment tasks. The assignment must be submitted by you, not your agent, in the seminar on 23 October 2015. Details of the assignment will be posted on iLearn on 21 August 2015. As you have nine weeks in which to complete this task, no extensions of time for submission will be granted. The only exception will be where a successful application for Disruption to Studies, which covers substantially all of the 9 weeks between posting of the assignment on iLearn and the due date.

Submission : Due in class on 23 October 2015.

Extension : No extensions will be allowed

Penalties: A penalty of 25% of the total available assignment marks will be imposed for each day, or part thereof, that the assignment is overdue.

On successful completion you will be able to:

- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;

4. Final Examination

Due: **University Exam Period**

Weighting: **60%**

A three hour final examination for this unit will be held during the University Examination period.

The University Examination period in the Second Half Year 2015 is from 9 to 27 November 2015.

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://exams.mq.edu.au/>

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 Disruption to Studies. The University's policy on Disruption to Studies is available at

http://www.mq.edu.au/policy/docs/disruption_studies/policy.html

If a Supplementary Examination is granted as a result of the Disruption to Studies 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.

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>

Further details about the final exam for this unit will be available in the final week of classes and also on the unit web page (iLearn).

To pass this unit you must pass (obtain at least 50%) in the overall performance and you must pass (obtain at least 50%) in the final examination.

On successful completion you will be able to:

- Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;
- Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;
- Critically assess the nature of a business combination and apply the steps in the acquisition method of accounting for business combinations;
- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;
- Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-controlling interests.

Delivery and Resources

Classes

Students in ACCG871 are required to attend a weekly seminar of three hours duration. One break will be taken during the seminar.

Students are expected to spend 150 hours working on this unit. As a guide a student should spend these approximate amounts of time on each of the following activities:

Weekly Seminars - 39 hours

Assessment task 1 (Weekly Assignments) - 48 hours

Assessment task 2 preparation (In-class tests) - 5 hours

Assessment task 3 (Major Assignment) - 15 hours

Assessment task 4 (Final Examination) - 3 hours

Reading/self-study/Final exam preparation - 40 hours

Required and Recommended Texts and/or Materials

In order to complete the seminar work and prepare for the final exam in this unit, you will need to possess a copy of the following textbooks:

- Leo, Knapp, McGowan and Sweeting, (2015) *Company Accounting*, 10th edition, John Wiley & Sons, Milton: Old, ISBN: 9781118608173. Earlier editions should not be used.
- Copies of relevant Australian Accounting Standards. These can be downloaded from the Australian Accounting Standards Board web site: www.aasb.com.au

The textbook may be purchased at the Co-op Bookshop on campus.

Unit Web Page

Course material is available on Macquarie University's learning management system (iLearn). The unit web site (iLearn) is available via the link below: <https://ilearn.mq.edu.au/login/MQ/>

Technology Used and Required

- iLearn

This unit will use Macquarie University's online technology for students to access course material, announcements as well as any other documents related to this unit. Students are required to regularly check the website for accessing up-to-dated information about this unit. The unit web site is available via the link below: <https://ilearn.mq.edu.au/login/MQ/>

Students need to have username and password to access to the unit web site. Please contact

iLearn directly if you have any difficulties to access to the unit site. iLearn Student Help can be found from the following link: <http://www.mq.edu.au/iLearn/help-pages/>

Unit Schedule

Week	Topic
1	Introduction; Financing of Company Operations (Chapter 2)
2	Accounting for Income Taxes (Chapter 6)
3	Accounting for Property, Plant & Equipment; Revaluation of non-current assets (Chapter 9)
4	Accounting for leases (Chapter 10) [In-class task 1]
5	Business Combinations (Chapter 12)
6	Impairment of Assets (Chapter 13)
7	Consolidation: Controlled Entities (Chapter 18)
8	Consolidation: Wholly-owned subsidiaries (Chapter 19)
9	Consolidation: intra-group transactions (Chapter 20)
10	Consolidation: non-controlling interest (Chapter 21)
11	Associates and joint ventures (Chapter 23) [In-class task 2]
12	Statement of Cash Flows (Chapter 16; Arthur et al. Chapter 7)
13	Course 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

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

Disruption to Studies Policy 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/

Results

Results shown in *iLearn*, or released directly by your Unit Convenor, are not confirmed as they are subject to final approval by the University. Once approved, final results will be sent to your student email address and will be made available in [eStudent](#). For more information visit ask.mq.edu.au.

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/

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) 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

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

PG - Discipline Knowledge and Skills

Our postgraduates will be able to demonstrate a significantly enhanced depth and breadth of knowledge, scholarly understanding, and specific subject content knowledge in their chosen fields.

This graduate capability is supported by:

Learning outcomes

- Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;
- Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;
- Critically assess the nature of a business combination and apply the steps in the acquisition method of accounting for business combinations;
- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;
- Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-

controlling interests.

Assessment tasks

- 1. Class test
- 2. Assessed Coursework
- 4. Final Examination

PG - Critical, Analytical and Integrative Thinking

Our postgraduates will be capable of utilising and reflecting on prior knowledge and experience, of applying higher level critical thinking skills, and of integrating and synthesising learning and knowledge from a range of sources and environments. A characteristic of this form of thinking is the generation of new, professionally oriented knowledge through personal or group-based critique of practice and theory.

This graduate capability is supported by:

Learning outcomes

- Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;
- Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;
- Critically assess the nature of a business combination and apply the steps in the acquisition method of accounting for business combinations;
- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;
- Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-controlling interests.

Assessment tasks

- 1. Class test
- 2. Assessed Coursework
- 3. Assignment
- 4. Final Examination

PG - Research and Problem Solving Capability

Our postgraduates will be capable of systematic enquiry; able to use research skills to create new knowledge that can be applied to real world issues, or contribute to a field of study or practice to enhance society. They will be capable of creative questioning, problem finding and

problem solving.

This graduate capability is supported by:

Learning outcomes

- Evaluate and assess the different forms of share capital and the practice of accounting for share issues, rights issues, options, and bonus issues;
- Assess the implications of tax-effect accounting, including the calculation and accounting for current tax expense, tax losses, and movements in deferred taxation accounts;
- Critically assess the nature of a business combination and apply the steps in the acquisition method of accounting for business combinations;
- Critically evaluate the theory and practice of preparing statements of cash flows, and in accounting for leases, the acquisition and subsequent valuation of non-current assets, and interests in associated entities;
- Appraise the theory and practice of preparing consolidated financial statements, including the concepts of control, elimination of inter-company transactions, and non-controlling interests.

Assessment tasks

- 1. Class test
- 2. Assessed Coursework
- 3. Assignment
- 4. Final Examination

Research and Practice

This unit gives you opportunities to understand the current account research. It provides you with insight into current thinking in accounting practice and will require you to apply research findings in your assignments. The unit contains a research-based major assignment worth 15% of the overall assessment.

Research and Practice, Global and Sustainability

This unit addresses global and sustainability issues as direct areas of study and as necessary implications arising from the materials, assessment and academic discussion and debate in classes/seminars. We promote sustainability by developing ability in students to research and locate information within accounting discipline. We aim to provide students with an opportunity to obtain skills which will benefit them throughout their career.

The unit materials have a reference list at the end of each chapter/module/text containing all references cited by the author. These provide some guidance to references that could be used to

research particular issues.