



ACCG308

Corporate Accounting and Reporting

S2 Day 2016

Dept of Accounting & Corporate Governance

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General Information

Unit convenor and teaching staff

Unit Convener

Stephen Haswell

Accg308@mq.edu.au

Contact via Accg308@mq.edu.au

E4A 210

Wednesday 1pm to 3pm.

Credit points

3

Prerequisites

39cp including ACCG224

Corequisites

Co-badged status

Unit description

This unit examines the framework and techniques that are used to prepare general purpose financial reports for companies. The unit builds on the first and second year financial accounting units and further considers the recognition and measurement of financial statement elements. A major topic of the unit is the techniques of consolidation accounting used to prepare the consolidated financial statements for a corporate group. Through the in-depth discussion of a number of key corporate accounting issues, this unit provides students with the technical accounting knowledge to prepare and use company financial statements. This unit develops graduate capabilities centred on higher order analysis and effective communication skills. Political and ethical issues surrounding recent financial reporting controversies are also considered.

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:

Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.

Describe and apply the concepts for the financial statement elements set out in the

Framework.

Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.

Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).

Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Assessment Tasks

Name	Weighting	Due
<u>Class test</u>	18%	Weeks 7,10,12
<u>Report</u>	14%	10 October 2016
<u>Assessed Coursework</u>	8%	Week 13
<u>Final Examination</u>	60%	University Examination Period

Class test

Due: **Weeks 7,10,12**

Weighting: **18%**

There are three class tests to be completed in registered tutorials in weeks 7, 10 and 12. Each class test is worth 6%. The class test is completed under exam conditions, closed book. Students are not allowed to access the textbook or other course materials. Students have to bring a calculator for each class test, and will **NOT** be allowed to share calculators or access any electronic devices (e.g., phones, tablets, etc.) during the test.

Submission

Students must attempt the class test in **registered** tutorials in **weeks 7, 10 and 12**.

Extension

No extension will be granted.

Penalties

Students who do not complete the class test in their registered tutorial 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.

What is required to complete satisfactorily?

Students will be expected to attend lectures weekly and to undertake independent study in

preparation for the test questions. It is expected that students spend approximately 6 hours of study per class test.

On successful completion you will be able to:

- Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.
- Describe and apply the concepts for the financial statement elements set out in the Framework.
- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Report

Due: **10 October 2016**

Weighting: **14%**

Students will be assigned into groups of five (or less) by their tutors to complete a group report. Detailed requirements and marking criteria of the report will be released on iLearn in week 5. The report is due by **4pm, Monday 10 October 2016** (week 9).

Details of the assignment question will be posted on i-learn.

Submission

Each group must submit electronically to i-Learn by **4pm, Monday 10 October**. Detailed instructions will be available in Week 5 via iLearn. Please do **NOT** submit the report to tutors. When you submit your assignment, Turnitin will produce an Originality Report, which will be examined by markers. Turnitin is an internet database that identifies papers containing unoriginal material.

Extension

No extension will be granted. Late submission (i.e., submitted after the deadline) will incur a penalty.

Penalties

Late assignments will be accepted up to 72 hours after the submission deadline. There will be a deduction of 10% 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 – 20% penalty). This penalty does not apply for cases in which an application for disruption of

studies is made and approved. Note: FBE administrators would expect a very detailed reason why a group project would be granted a disruption to studies and any such application might or might not be granted.

No submission will be accepted after solutions have been posted.

Severe penalties will apply to cases of plagiarism. Further details of plagiarism penalties are included in the assignment guide to be posted on i-learn.

What is required to complete satisfactorily?

Guidelines for interaction between group members will be provided by week 5. It is suggested that a timeline is developed and used by group members to constantly monitor progress. Each group member is expected to spend approximately 24 hours of study (e.g., research, writing up the report, discussion, etc.) for the report.

On successful completion you will be able to:

- Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.
- Describe and apply the concepts for the financial statement elements set out in the Framework.

Assessed Coursework

Due: **Week 13**

Weighting: **8%**

Task overview

Weekly homework will be collected and assessed randomly by tutors (at 4 out of 12 tutorials). Each homework will be awarded a mark out of 2 (i.e., 8%).

Due date

Ongoing throughout the session.

Deliverables and requirements

Student is required to prepare thoroughly the homework questions.

Submission

Homework is due in tutorials. Tutor will randomly determine which weeks that the homework will be collected.

Extension

No extensions will be granted.

Marking criteria

To receive 2 marks, student must have made a genuine attempt to provide a comprehensive answer to the questions in that homework. Where student has made a moderate attempt of the

homework questions, 1 mark will be awarded. A mark of zero will be awarded for a non-satisfactory attempt or a non-submission.

Penalties

Students who have not submitted the homework in tutorials will be awarded a mark of zero, except for cases in which an application for disruption of studies is made and approved. If the application is approved, tutor will do another random collection of the student's homework for marking.

Estimated student workload

It is expected that students spend approximately 3-4 hours of study for homework each week.

On successful completion you will be able to:

- Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.
- Describe and apply the concepts for the financial statement elements set out in the Framework.
- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Final Examination

Due: **University Examination Period**

Weighting: **60%**

A final examination is included as an assessment task for this unit to provide assurance that:

- i) the product belongs to the student and
- ii) the student has attained the knowledge and skills tested in the exam.

The final exam is of three hours and ten minutes duration. The final exam of ACCG308 is designed to test you against the learning objectives of the unit. Students in ACCG308 for 2016 will be required to do a final exam that tests them on all the material covered during the session.

The University Examination period in the second half year 2016 is from Monday 14 November to Friday 2 December. You are expected to present yourself for examination at the time and place designated in the University 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. It is the student's

responsibility to make sure that they have ascertained the room number for their exam before the exam day.

[http:// exams.mq.edu.au/](http://exams.mq.edu.au/)

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching session, that is, the final day of the official examination period.

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 process is available at: http://www.mq.edu.au/policy/docs/disruption_studies/policy.html Further details of policy on Disruption to Studies are given in the section below.

If a Supplementary Examination is granted as a result of the Disruption to Studies process, the examination will be scheduled as per Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of a 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>

Details regarding the form and scope of the final exam will be provided to you during the final lecture. In the meantime you should be aware that the best preparation for the final exam is as follows:

- Attend lectures and take notes - what are the main points the lecturer has made?
- Complete the required readings from the textbook each week
- Attend all tutorials
- Complete independent solutions to tutorial discussion questions, exercises and problems
- Form study groups at the beginning of session
- Use the assessed coursework to monitor your own progress against the unit learning objectives. A low score on an assessed coursework is a signal that you need to do more work on certain topics
- Check your solution to the tutorial assignments against the 'self-study solutions' that are available on iLearn
- Use the consultation times whenever you need extra help, not just before the exam

What is required to complete the unit satisfactorily

Students must **pass the final exam** and **pass the overall assessment** to receive a passing grade in this unit.

Expectations and Workload

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:

Activities

Hours

1

Weekly lectures/tutorials

39

2

Assessed coursework

16

3

Group assignment

24

4

Class tests

18

5

Final exam

21

6

Readings/self-study

32

TOTAL

150

On successful completion you will be able to:

- Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.
- Describe and apply the concepts for the financial statement elements set out in the Framework.
- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Delivery and Resources

Teaching staff

<u>Name</u>	<u>Email address</u>
Stephen Haswell Unit Convenor & Lecturer	accg308@mq.edu.au
Claudia Chau Administrator	accg308@mq.edu.au

Please use email as the first form of contact. Teaching staff will receive correspondence only if sent to the unit email account above.

Contacting staff

The consultation timetable will be made available on the unit's website in week 2. Staff members are available for two hours per week for consultation starting from week 3.

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours. Staff will not conduct any consultations by email. You may, however, phone staff during their consultation hours.

In order to gain access to staff located at levels 2 and 3 of building E4A during their consultation hours, please ring the staff member from the phones available in the lobby (phone numbers of relevant staff members will be provided on iLearn and are available next to the phones).

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

Classes

- There are 3 hours face-to-face teaching per week consisting of 1 x 2-hour lecture and 1 x 1-hour tutorial each week.
- The timetable for classes can be found on the University web site at:
<http://www.timetables.mq.edu.au/>

Timetable for lectures

ACCG308 requires students to attend one two-hour lecture per week. Lecture places have been allocated by the university's on-line enrolment system to ensure that lecture theatres do not become overcrowded, causing non-compliance with Occupational Health and Safety Guidelines including the fire safety regulations. Therefore you must attend your allocated lecture time. Proof of registration may be required if overcrowding occurs.

<u>Day</u>	<u>Time</u>	<u>Room</u>
Monday	6 - 8 pm	X5B T1
Thursday	3 - 5 pm	W5A T2

Timetable for tutorials

ACCG308 also requires students to attend a weekly small group tutorial of **one-hour** duration. The maximum number of students in each group is thirty.

Tutors will record attendance each week. **You must attend at least 9 of the 12 tutorials in order to complete satisfactory coursework requirements for this unit.** For this purpose we do not accept medical certificates for missed tutorials; it is up to you to organise yourself to come to at least nine tutorials.

Tutorials begin in Week 2 – the week beginning 8 August.

Tutorial places have been allocated by the University's on-line enrolment system. Most tutorials are already full. If you do not already have a tutorial time, then you must enrol on-line as soon as possible.

Due to the large number of students enrolled in ACCG308, changes to tutorial times are managed by the on-line enrolment system. It is not necessary to contact members of staff about tutorial changes. On-line enrolment changes **will be shut down at the end of week 2 so all changes must be made by then.**

You can only attend and sit for the Assessed Coursework in your registered tutorial.

Prizes

The Association of Chartered Certified Accountants Prize is awarded to the best student in the unit ACCG308 Corporate Accounting and Reporting.

Required and Recommended Texts and/or Materials

Jubb, P.B., Haswell, S.M. and I.A. Langfield-Smith, Company Accounting, 5th Edition 2010, Cengage, Melbourne.

The text can be purchased from the Macquarie University Co-op Bookshop.

This text is used extensively for both lecture references and for tutorial work in each week of the unit. Ideally students should have a copy of this text that they can access at all times. Copies of this text are available on Library Reserve.

Technology Used and Required

You will need basic computer skills to use Macquarie University's iLearn teaching facility (refer to the detail contained below in Unit Web Page). You will need to download documents supplied in pdf format.

Unit Web Page

ACCG308 lecture handouts, notices and homework solutions will be available in full from the unit's web page. You can access the web page on campus, at work or at home, where you can login to "iLearn" <https://ilearn.mq.edu.au/login/MQ/>. Please check the web site on a regular basis for notices, updates, etc.

Lectures will be audio recorded on 'iLecture' and made available on iLearn by the end of the week. 'Virtual tutorials', which provide detailed explanations for some self-study homework questions, are also made available for some topics.

Unit Schedule

Week commencing	Lecturer	Lecture Topic			
Week 1 1 August	SH	Unit introduction, overview of regulation			
Week 2 8 August	SH	Introductory company accounting, share issues, distributions to owners			

Week 3 15 August	SH	Company reorganisation		
Week 4 22 August	SH	Debt securities		
Week 5 29 August	SH	Business combination		
Week 6 5 September	SH	Purchase consolidation 1		
Week 7 12 September	SH	Purchase consolidation 2		
		Mid term break: 17 September to 3 October		
Week 8 4 October	SH	Intra-group transactions		
Week 9 10 October	SH	Direct non-controlling interest		
Week 10 17 October	SH	Indirect interest		
Week 11 24 October	SH	Equity accounting		
Week 12 31 October	SH	Receivership, voluntary administration, and liquidations		

Week 13	SH	Discussion of final examination					
7 November							
Please see assessment guide on i-learn for full details of textbook readings and exercises.							

Learning and Teaching Activities

The Lecture - large group learning

The purpose of the lectures is to provide you with an overview of the main concepts and techniques. Each lecture should give you a framework to use when solving problems in the particular topic for that week.

Private study – learning by doing

ACCG308 relies heavily on assignment-based learning and private study. During your private study after each week's lecture, you are expected to revise your lecture notes and read the specific textbook materials that have been prescribed. Using the concepts and techniques presented in lectures and textbook materials, you are then required to prepare solutions to weekly assignment questions and exercises. You should attempt all assignment questions and exercises before attending the relevant tutorial in which the solutions are discussed. On average the unit will require students to complete between 8 and 10 hours of private study per week.

The Tutorial – small group learning

In tutorials, tutors will assume that you have read each question or exercise and have made a bona fide attempt to answer it. You might come to class with half an answer or even less but at least you know the question or exercise and you tried to answer it as best as you could. Tutors will lead and manage the discussion of assignment questions and exercises and it is expected that you will actively participate in the tutorial setting. Active participation includes a preparedness to explain to the rest of the class what you did in your answer. You will not be allowed to bring last semesters' answers to the tutorial and pretend that it is your work. The tutorials should be viewed as an active forum for any problems or difficulties that you have experienced when preparing answers. Ask your tutor questions and make good use of consultation hours, not just towards the examination but all throughout the semester.

After the tutorials – the learning process continues

Copies of the textbook solutions to the relevant weekly assignment will be placed on iLearn.

While your understanding of the topic material is fresh you should review the model solutions for each weekly assignment. Check your answers against the model solutions and learn from your mistakes. Form study groups to help clarify issues but try to work independently on the questions so that you do not copy other students' answers.

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

New Assessment Policy in effect from Session 2 2016 http://mq.edu.au/policy/docs/assessment/policy_2016.html. For more information visit http://students.mq.edu.au/events/2016/07/19/new_assessment_policy_in_place_from_session_2/

Assessment Policy prior to Session 2 2016 <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy prior to Session 2 2016 <http://mq.edu.au/policy/docs/grading/policy.html>

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

Complaint Management Procedure for Students and Members of the Public http://www.mq.edu.au/policy/docs/complaint_management/procedure.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.

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://www.mq.edu.au/about_us/offices_and_units/information_technology/help/.

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

Graduate Capabilities

Capable of Professional and Personal Judgement and Initiative

We want our graduates to have emotional intelligence and sound interpersonal skills and to demonstrate discernment and common sense in their professional and personal judgement. They will exercise initiative as needed. They will be capable of risk assessment, and be able to handle ambiguity and complexity, enabling them to be adaptable in diverse and changing environments.

This graduate capability is supported by:

Learning outcomes

- Describe and apply the concepts for the financial statement elements set out in the Framework.
- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Assessment tasks

- Report

- Assessed Coursework
- Final Examination

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

- Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.
- Describe and apply the concepts for the financial statement elements set out in the Framework.
- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Assessment tasks

- Class test
- Report
- Assessed Coursework
- 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

- Demonstrate understanding of the theory and practice of compiling company financial statements and the use of teamwork in doing so.
- Describe and apply the concepts for the financial statement elements set out in the Framework.
- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Assessment tasks

- Report
- Assessed Coursework
- 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

- Demonstrate understanding of the theory and practice of accounting for business combinations in Australia.
- Demonstrate understanding of the theory and practice of consolidation accounting in Australia (AASB 127/AASB 10).
- Demonstrate understanding of accounting for associated companies using equity accounting under AASB 128.

Assessment tasks

- Class test
- Report
- Final Examination

Lecture Summary

The first lecture (**week 1**) begins with administration of the unit. Topic areas covered include the International Accounting Standards Board, Australian equivalents of International Financial Reporting Standards, and the *Framework*.

Week 2 examines share issues and the elements of financial statements and how they are presented in a company's accounting records and classified in the financial statements.

Week 3 discusses the re-organization of a company's capital. Of special interest is the share buyback, a procedure used recently by a number of high-profile companies.

Week 4 covers different types of debt and demonstrates methods of accounting for the issue and repayment of debt.

Week 5 considers investment in new assets, especially those that lead to business combinations, an important concept. The discussion this week is from the point of view of the acquirer of the asset. Investments are considered for a single asset, then for multiple assets that amount to a business (and those that do not); and these are contrasted with equity (share) investments in other companies. The latter may lead to the acquirer having significant influence over the other company, or control over it. The accounting in each case is different. Significant influence leads to equity accounting. Control leads to consolidation accounting. All of these are introduced in the same text chapter (Ch. 16) so that the purpose of each is compared and contrasted.

Week 6 is the first of five weeks devoted to the study of consolidation accounting. We begin with the principles of consolidation accounting including the control criterion, the entity concept, consolidation processes and the preparation of a consolidation worksheet at control date.

Week 7 continues the discussion of the consolidation process and the preparation of a consolidation worksheet, but this time is the application after control date.

Week 8 covers the elimination of intra-entity transactions within a consolidated group.

Week 9 considers impact of non-controlling interests on the consolidation worksheet.

Week 10 covers the consolidation accounting of indirect ownership interests which can arise when there are more than two companies in the group.

Week 11 covers the topic of equity accounting that accounts for the relationship between an investor and its associates.

Week 12 covers the topic of external administration and specifically discusses receivership, voluntary administration and liquidations.

Week 13 revises the unit's objectives to assist students with their final exam preparation.

Research and Practice, Global and Sustainability

- This unit discusses the latest research findings on corporate reporting.
- This unit provides the latest news on the development of accounting standards.

- 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 financial accounting. We aim to provide students with an opportunity to obtain skills which will benefit them throughout their career.