MGSM840

Accounting for Management

Term 3 Hong Kong 2018

MGSM Degree Programs

Contents

General Information 2

Learning Outcomes 2

Assessment Tasks 3

Delivery and Resources 6

Unit Schedule 6

Policies and Procedures 7

Graduate Capabilities 8

Changes from Previous Offering 12

Alignment with MGSM's mission-driven attributes and graduate capabilities 12

Attendance Policy (MGSM) 13

Content Disclaimer 13

Changes since First Published 14

Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

General Information

Unit convenor and teaching staff Andy Wang a.wang@mgsm.edu.au
Credit points 4
Prerequisites Admission to MBA or MMgmt or PGDipMgt or GradDipMgt or PGCertMgt or GradCertMgt or MEngMgt or MSocEntre or GradCertSocEntre
Corequisites
Co-badged status
Unit description This unit equips managers with the skills and tools to construct, analyse, interpret and act upon the accounting and financial information produced within a business. This discussion and analysis begins with the three financial statements targeted at external users: the Profit and Loss Statement, the Balance Sheet, and the Statement of Cash Flows. The unit then proceeds into the analysis, interpretation, and the use of management accounting information for the purpose of managerial decision making. Real life complexities in the decision making process are highlighted.

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:

Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.

Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.

Uphold and apply ethical accounting practices (such as triple bottom line reporting) to present a true and fair view of the performance of an entity and encourage ethical, social

and environmental accountability.

Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment Tasks

Name	Weighting	Hurdle	Due
Midterm Examination	20%	No	13 July 2018
Syndicate Project	30%	No	3 August 2018
Final Examination	50%	No	11 August 2018

Midterm Examination

Due: **13 July 2018**
Weighting: **20%**

Duration: The midterm examination is of one (1) hour plus five (5) minutes reading time.

Format: Multiple choice questions, closed book.

On successful completion you will be able to:

- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.

Syndicate Project

Due: **3 August 2018**
Weighting: **30%**

Syndicate Report (15%)

The syndicate report should compare and contrast the historical (for the last 5 years) and expected future performance for a company and a competitor in a similar line of business. The syndicate report should be comprised of two parts, a qualitative part and a quantitative part. These two parts do NOT need to be in their own distinctive sections, and it is up to the syndicate to structure the report in a way that makes logical sense. 5,000 word limit. To be submitted electronically via iLearn. Marking criteria will be made available in class.

Within the qualitative area, your discussion should include (but does not have to be limited to:

- BRIEF background information on the two companies including how they are placed within the industry.

- The syndicate may also include a BRIEF overview of the recent stock price movements for these two companies.
- Industry trends and how well each company is placed to face these trends given their strategic outlook.
- General local and global economic conditions and its expected impact on these two companies (if any).
- The syndicate may wish to supplement this with any additional information available. For example, the syndicate may also use common tools encountered during studies at MGSM or during employment (e.g. SWOT), provided it does not make them a disproportional part of the report.

Within the quantitative area, the syndicate should:

- Begin with an analysis of trends in items contained in profit and loss statements, balance sheets, and statement of cash flows. As a part of this analysis, the syndicate should also use appropriate ratios under the general areas of: profitability, liquidity, working capital management, leverage and financial risk.
- Be smart about using ratios. e.g. Don't use 5 ratios that tell the same story.
- Highlight the most important change within these ratios and try to identify reasons for these changes.
- Compare the quantitative analysis for the two companies and identify reasons for any differences in numbers or trends.

Individual Report (15%)

Based on the qualitative and quantitative analysis, each member individually should make a recommendation. There are three possible recommendations you can make:

1. Invest in the company
2. Invest in the competitor
3. Or, for whatever reason, invest in neither

You should also comment on the relative strengths and weaknesses of your entire analysis (inclusive of the syndicate report). Your discussion should focus on what the analysis has accomplished and what are the limitations. Marking criteria will be made available in class. To be submitted electronically via iLearn.

No extensions will be granted. 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 special consideration is made and approved.

Learning outcomes from group project

By the end of this project, students will have achieved the following learning outcomes:

1. Students would have the ability to analyse, contrast, and discuss the historical performance of businesses from a number of perspectives, using various tools and techniques.
2. Students would have the ability to discuss the qualitative aspects of businesses and the general industry/economic environment, and how these may impact future business performance. These qualitative aspects may include (but is not limited to) the quality of longer term business strategies (in light of the industry/economic environment), shorter term business plans, and the agility of the businesses in a changing business environment.
3. Students would also develop writing skills appropriate in a high quality business report.

On successful completion you will be able to:

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.
- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Final Examination

Due: **11 August 2018**
Weighting: **50%**

The final examination is of three (3) hours plus ten (10) minutes reading time.

The exam format will be open-book, and may consist of a combination of short answer, practical or essay style questions. More details on the exam will be provided in class. The final exam will cover content from:

- Materials presented in-class
- Textbook, unit notes, and other readings
- Exercises and in-class discussions

You are expected to present yourself for examination at the scheduled time and place designated in the MGSM Hong Kong Student website. Examination dates are recorded on the timetable.

On successful completion you will be able to:

- Uphold and apply ethical accounting practices (such as triple bottom line reporting) to present a true and fair view of the performance of an entity and encourage ethical, social and environmental accountability.

Delivery and Resources

There is no required textbook for this unit. The following textbook is suggested:

Atrill, P., McLaney, E., & Harvey, D., 2018, Accounting for Non-Specialists, 7th Edition, Pearson Australia, ISBN: 978-1-4886-1258-9

MGSM iLearn

The web page for this unit can be found at: https://ilearn.mq.edu.au/login/MGSM

Unit Schedule

Students are required to attend all classes.

First Block: 6 - 8 July 2018

Second Block: 13 - 15 July 2018

Time of class:	Friday	6pm - 10pm (Hong Kong time)
	Saturday	2pm - 10pm (Hong Kong time)
	Sunday	9am - 5pm (Hong Kong time)

Our Unit Notes provide the key information and are written, where applicable, from the perspective of managers and executives. The textbook readings provide background/supporting material where relevant. The topics and readings are as follows:

Session	Topic	Primary Readings	Optional Textbook Reading
1	The Nature of Accounting	Unit Notes – Topic 1	AMH (Textbook) Chapters 1 & 4
2	Balance Sheets and Profit and Loss Statements	Unit Notes – Topic 2	AMH (Textbook) Chapters 2 & 3
3	Statement of Cash Flows	Unit Notes – Topic 3	AMH (Textbook) Chapter 6
4	Working Capital Management	Unit Notes – Topic 4	AMH (Textbook) Chapter 13
5	Financial Statement Analysis	Unit Notes – Topic 5	AMH (Textbook) Chapter 8
6	Financial Statement Analysis: DuPont Model	Unit Notes – Topic 6	

Session	Topic	Primary Readings	Optional Textbook Reading
7	Financial Statement Analysis: Managing for Sustainable Growth	Unit Notes – Topic 7	
8	Cost Behaviour and Analysis	Unit Notes – Topic 8	AMH (Textbook) Chapters 9 & 10
9	Short-Term Management Planning	Unit Notes – Topic 9	AMH (Textbook) Chapter 7
10	Budgeting	Unit Notes – Topic 10	AMH (Textbook) Chapter 11

Policies and Procedures

Macquarie University policies and procedures are accessible from Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policy-central). Students should be aware of the following policies in particular with regard to Learning and Teaching:

- Academic Appeals Policy
- Academic Integrity Policy
- Academic Progression Policy
- Assessment Policy
- Fitness to Practice Procedure
- Grade Appeal Policy
- Complaint Management Procedure for Students and Members of the Public
- Special Consideration Policy *(**Note:** The Special Consideration Policy is effective from 4 December 2017 and replaces the Disruption to Studies Policy.)*

Undergraduate students seeking more policy resources can visit the Student Policy Gateway (https://students.mq.edu.au/support/study/student-policy-gateway). It is your one-stop-shop for the key policies you need to know about throughout your undergraduate student journey.

If you would like to see all the policies relevant to Learning and Teaching visit Policy Central (https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/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/study/getting-started/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

PG - Capable of Professional and Personal Judgment and Initiative

Our postgraduates will demonstrate a high standard of discernment and common sense in their professional and personal judgment. They will have the ability to make informed choices and decisions that reflect both the nature of their professional work and their personal perspectives.

This graduate capability is supported by:

Learning outcomes

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.
- Uphold and apply ethical accounting practices (such as triple bottom line reporting) to present a true and fair view of the performance of an entity and encourage ethical, social and environmental accountability.
- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment tasks

- Midterm Examination
- Syndicate Project

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

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.
- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment tasks

- Midterm Examination
- Syndicate Project
- 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

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.
- Uphold and apply ethical accounting practices (such as triple bottom line reporting) to present a true and fair view of the performance of an entity and encourage ethical, social and environmental accountability.
- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment tasks

- Syndicate Project
- 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

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-

making and outcomes.

- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment tasks

- Syndicate Project
- Final Examination

PG - Effective Communication

Our postgraduates will be able to communicate effectively and convey their views to different social, cultural, and professional audiences. They will be able to use a variety of technologically supported media to communicate with empathy using a range of written, spoken or visual formats.

This graduate capability is supported by:

Learning outcomes

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.
- Uphold and apply ethical accounting practices (such as triple bottom line reporting) to present a true and fair view of the performance of an entity and encourage ethical, social and environmental accountability.
- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment tasks

- Midterm Examination
- Syndicate Project
- Final Examination

PG - Engaged and Responsible, Active and Ethical Citizens

Our postgraduates will be ethically aware and capable of confident transformative action in relation to their professional responsibilities and the wider community. They will have a sense of connectedness with others and country and have a sense of mutual obligation. They will be able to appreciate the impact of their professional roles for social justice and inclusion related to national and global issues

This graduate capability is supported by:

Learning outcomes

- Interpret and synthesise financial information from a range of sources, using appropriate financial tools to better predict problems and opportunities and develop responsible and appropriate strategies for dealing with them.
- Evaluate and take into consideration diverse corporate practices, industries, regulations and other country-specific factors that may impact on an entity's financial decision-making and outcomes.
- Uphold and apply ethical accounting practices (such as triple bottom line reporting) to present a true and fair view of the performance of an entity and encourage ethical, social and environmental accountability.
- Analyse and interpret external and internal accounting information make better informed business decisions that seek to maximise value for all stakeholders.

Assessment tasks

- Midterm Examination
- Syndicate Project
- Final Examination

Changes from Previous Offering

No changes from previous offering

Alignment with MGSM's mission-driven attributes and graduate capabilities

MISSION-DRIVEN ATTRIBUTES

- **Leadership:** Interpret and synthesise financial information from a range of sources in order to better predict problems and opportunities and develop appropriate strategies for dealing with them.
- **Global mindset:** This unit will emphasise the decision making process in a global economic context. Students are encouraged to be mindful of differences in company practices, industries, laws, and country specific factors that may influence decision outcomes.
- **Citizenship:** Recognise the discretion available to managers when applying accounting models and apply ethical accounting practices in order to present a true and fair view of the performance of an entity.
- **Creating sustainable value:** Appropriately analyse and interpret external and internal

accounting information in order make better informed business decisions that seek to maximise value for all stakeholders.

GRADUATE CAPABILITIES

- **Discipline knowledge and skills:** Students prepare a set of accounts and learn the role of these accounts in the management of a business (interpreting financial accounts to determine the status and outlook for a business).
- **Critical, analytical and integrative thinking:** Students interpret audited financial accounts contained within 'ASX listed firms' Annual Reports and critique and compare performance based on analysis of a wide range of business factors.
- **Research and problem solving:** Students will be able to undertake competitive benchmarking, identify tools of analysis and apply them to solve problems in differing scenarios.
- **Effective communication:** Familiarisation with financial analysis tools will enable students to communicate effectively on technical financial interpretation and the briefing of colleagues.
- **Engaged and responsible, active and ethical citizens:** Students will develop good ethical corporate citizen practice through financial knowledge and an awareness of the range of stakeholders involved in any business and their different needs.

Attendance Policy (MGSM)

The interactive environment of the classroom is central to the MGSM experience. Students are required to attend the full duration of all classes for the units in which they are enrolled. We recognise that exceptional circumstances may occur, such as unavoidable travel on behalf of your organization or the serious illness or injury of you or a close family member.

Special consideration may be given for a maximum of 20% non-attendance for such circumstances as long as lecturers are contacted in advance, and supporting documentation provided, to request exemption from attendance. Failure to abide by these conditions may result in automatic withdrawal, with academic and/or financial penalty. The full Student Attendance Policy is published in the MGSM Student Handbook at https://students.mgsm.edu.au/handbook

Content Disclaimer

These unit materials and the content of this unit are provided for educational purposes only and no decision should be made based on the material without obtaining independent professional advice relating to the particular circumstances involved.

Changes since First Published

Date	Description
06/06/2018	Replaced reference to Disruption to Studies policy with reference to Special Consideration policy.