



Acct2011
Financial Accounting A
Semester 2, 2008

Unit of Study Outline

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Consultation outside of consultation times is by appointment only.

Email contact policy

Staff will not respond to e-mails on matters that should be posted on Blackboard (see section 2.2.4).

Students should use the Blackboard discussion board, NOT EMAIL, to communicate with staff in all circumstances - except where the message involves communication of personal information. Eg, students must use the discussion board for all queries about course content or assessment but may email a staff member to discuss personal matters. In these circumstances, students must ensure they use their University email account and include their name and student number in the email – emails from any other account will not be answered to ensure student privacy is respected and maintained.

Classes

Lecture Time : Wednesday 9am-11am (Merewether Lecture Theatre 1)

Tutorial Time(s): As per your personal timetable. Tutorials commence in week two.

1. Unit of study information

1.1. Faculty Handbook description

This unit examines the accounting and reporting practices of reporting entities, particularly listed public companies. Emphasis is placed on developing an understanding of, and the ability to critically evaluate, the various regulatory requirements (professional and statutory) governing financial reporting. The unit commences with an overview of the financial reporting environment and theories that seek to explain the accounting policy choices of management. This framework provides a basis for examining a range of specific

issues in financial accounting. Emphasis throughout the unit is on both the application of specific accounting techniques/rules and the conceptual/theoretical issues associated with alternative accounting methods.

1.2. Aims and context

This unit of study is aimed at equipping students with a practical and conceptual understanding of alternative accounting methods and practices, and how they impact on the decisions of preparers and users of financial reports. This unit builds on material taught in the introductory accounting units of study. This unit is a component of the accounting major and is part of the accreditation requirements for CPA Australia and the Institute of Chartered Accountants in Australia.

2. Learning outcomes, teaching and learning activities & assessment

2.1. Intended learning outcomes

Learning Outcomes	Graduate Attributes	Teaching & Learning Activities	Assessments
<p>1. You should be able to apply accounting theory to problems and practice in a range of settings.</p> <p>2. You should be able to examine problems and present solutions for identification, measurement, recognition and reporting of economic information for external decision makers.</p>	Research and Inquiry	<p>Read assigned materials</p> <p>Make own notes and summaries before class</p> <p>Attend lectures</p> <p>Prepare Group Presentation</p> <p>Complete tutorial and self-study questions</p>	<p>Research Essay</p> <p>Group Presentation</p> <p>Mid-semester and final exams</p>
<p>3. You should develop an awareness of the diversity of stakeholders engaged in the financial reporting and corporate governance process.</p>	Ethical, Social and Professional Understanding	<p>Read assigned materials</p> <p>Prepare Group Presentation and Research Essay</p> <p>Attend lectures and tutorials</p>	<p>Research Essay</p> <p>Group Presentation</p>
<p>4. Demonstrate research skills by locating and selecting primary and secondary source materials using libraries, the web and other reference materials</p>	Information Literacy	<p>Access and read materials provided in the textbook, course readings and on-line</p> <p>Undertake own research</p> <p>Evaluate the relevance of the information found</p> <p>Prepare Group Presentation and Research Essay</p>	<p>Research Essay</p> <p>Group Presentation</p>
<p>5. You should develop your oral and written communication skills.</p>	Communication	<p>Contribute to team discussions on group presentation</p> <p>Give Group Presentation</p> <p>Draft/edit/finalise Research Essay</p>	<p>Group Presentation</p> <p>Research Essay</p>

2.2. Learning and teaching activities

2.2.1 Prescribed texts:

Deegan, C., *Australian Financial Accounting* 5th Edition, McGraw-Hill, Sydney, 2007.

AND any one of the following;

CPA Australia *Accounting Handbook 2008* (ISBN 0733993596), Pearson Education, Melbourne, 2008 or

CA *Financial Reporting Handbook 2008*, (ISBN 0470816974), John Wiley & Sons, Brisbane, 2008

Students that choose to use an earlier edition of the text or handbook are personally responsible for making a comparison between the new and prior editions to make corrections and updates.

2.2.2 Face-to-face

Lectures are designed to introduce the technical and theoretical aspects of the unit of study. Lectures cannot cover the total course content in depth but provide an overview of each topic and explain more difficult concepts using practical examples and demonstration questions. Lecture notes are available on the Blackboard website and are intended merely to provide you with the key headings that will be explained in lectures. You should take your own additional notes and explanations in class. At the beginning of each lecture any administrative announcements are made (and these are duplicated online as well). Up to 5 minutes will be allocated for Q&A on any aspect of the unit at the end of the lecture.

It is recommended that students **read the relevant textbook chapter** and any other required readings **prior** to attending the scheduled lecture on that topic. This background reading is essential to setting the scene for the lecture. **Solutions to lecture demonstration questions will only be presented in lectures and are not made available on Blackboard.**

Tutorials are useful in improving your understanding of course material and applying concepts to more difficult problems. Questions to be attempted and discussed in tutorials will be posted on Blackboard in the week prior to the respective tutorial. Although we do not require you to prepare answers to these questions (this will be done during the tutorial) you are encouraged to read through the questions to familiarise yourself with the issues to be addressed. **Students are expected to download and bring a copy of the questions with them to the tutorial.** Tutorials are designed primarily to provide a learning environment that encourages and stimulates students to become more independent learners. Participation and completion of the assigned questions during class time will improve your understanding of the accounting concepts and technical content and will allow you to receive timely feedback on areas that you find problematic. **Solutions to tutorial questions will only be provided in class (i.e., they will not be posted on Blackboard).**

Students must attend their timetabled tutorial. **All changes to tutorials must be completed on MyUni or at the Faculty of Economics and Business Student Information Office by the end of the first week of semester. (Please note course staff will not change your tutorial).** No changes to tutorial classes will be permitted after the end of week one.

Consultation: course staff will be available to answer questions at scheduled times (see "Staff Information" on Blackboard). If you wish to speak to staff at other times you should email them to make an appointment. You are strongly encouraged to seek early assistance to clarify any misunderstandings you have. This is particularly important as consultation times are extremely busy just prior to exams and it is often necessary to limit the time that can be spent with each student.

2.2.3 Print

Chapters from the textbook should be read prior to attending the scheduled lecture on that topic. This background reading is essential to setting the scene for each topic.

Material from the Accounting Handbook should be read prior to the scheduled lecture on that topic. Pre-reading will enhance your understanding of lecture material. If you choose not to buy a handbook accounting standards can be downloaded from the Australian Accounting Standards Board website free of charge (see Blackboard link).

Course readings are available for download from the University library website (<http://www.library.usyd.edu.au>). The readings form an integral part of the unit and are examinable. Readings are designed to introduce you to research conducted into current accounting practice and theory.

Self-study questions are listed on page 11 of this Outline. These questions are not covered in class but are intended for students to attempt as part of their regular individual study. Answers to self-study questions will be posted on Blackboard the week after the respective topic. We strongly encourage students to attempt these questions as it provides a guide to their comprehension of course material and will indicate areas where they may seek assistance from course staff for further study.

A hard copy of the research essay should be kept, even after submitting it into the assignment box.

2.2.4 Online

Tutorial questions will be made available on Blackboard in the week prior to the respective tutorials. **Solutions to tutorial questions will only be provided in tutorials.**

Blackboard (<http://blackboard.econ.usyd.edu.au>) provides the main online learning support. It is essential that you log in at least twice per week to keep abreast of unit-wide announcements and use the resources to supplement your learning. Lecture slides for each lecture are available the day before each lecture for you to download from Blackboard and bring with you to class. **Please note that lecture slides are not a substitute for attending lectures. Solutions to the examples in the lecture slides covered in lectures WILL NOT be posted on Blackboard.**

Online discussion forums will be available throughout semester to all students on the Blackboard site. These can be used to clarify questions relating to course content, the essay and course administration. Please follow discussion forum rules when placing posts. **To encourage you to use the discussion forums and to ensure consistent information is available to all students, course staff will not answer emails on course content, administration or assessment items.** Appropriate online behaviour in such discussions is expected at all times. Course staff will attempt to answer questions posted on Blackboard discussion forums within **three business days** (i.e., do not expect questions to be answered on weekends/public holidays).

Results on each assessment (except the final exam) item are posted into the "Grade Centre" on Blackboard when all marks have been finalised.

The online material available with the textbook is a useful revision resource particularly for extra practice questions (with solutions).

2.3. Assessment

Assessment task	Weighting	Due date	Learning outcomes	Word length
1. Research Essay	10%	Sept 10 th , 2008	1, 2, 3, 4 and 5	1,200 equivalent (i.e, 5 pages)
2. Group Presentation in Tutorials	5%	Throughout semester	1, 2, 3, 4 and 5	400 equivalent
3. Mid-semester 2hr exam	35%	Saturday September 20 th , 2008	1, and 2	2,000 equivalent
4. Final 2hr exam	50%	Final examination period	1, and 2	2,400 equivalent
Total	100%			6,000

2.4. Assessment details

1. Research Essay

The essay is to be completed individually. The question will be provided on Blackboard by the end of the first week of lectures. The essay will develop your understanding of accounting theory and its relevance to accounting issues and the accounting method choices made by financial report preparers. The essay will be structured so as to develop skills in relating theory to real-life financial reporting practice and giving you an awareness of the stakeholders involved in the financial reporting process. The essay will develop your written communication skills. Assessment criteria that will be used to mark the essay and detailed submission procedures will be provided with the essay. Students must lodge the essay by 1pm on the due date in **both** electronic form (through the Blackboard Assignment submission option) and hard copy in the appropriate Assignment box on Level 1 of the Faculty of Economics and Business Building H69. You must use the Faculty cover sheet for the hard copy submission. A link to the cover sheet is provided on Blackboard. Late assignments will be penalised at the rate of 10% per day or part thereof (weekends included). **EXCLUDING SITUATIONS WHERE SPECIAL CONSIDERATION IS GRANTED NO ESSAYS WILL BE ACCEPTED FOR SUBMISSION AFTER SEPTEMBER 24th 2008.**

2. Group presentation

The group presentation will provide an opportunity to interact with other students to negotiate and create a shared understanding. The presentations will be given in tutorials by groups of three or four students. Groups will be formed in Tutorial 1, with the groups being formed by students. It is your responsibility to ensure that you become a member of a group in your tutorial. All members of the group are expected to speak for at least two minutes with the group presentation lasting for approximately 10 minutes but absolutely no longer than 15 minutes. In assessing the presentations equal weighting will be given to content and presentation skills. A copy of the marking guide that will be used to grade the presentations will be placed on Blackboard. Content will be assessed in terms of relevance, contribution to understanding, critical analysis and comprehensiveness. Presentation will be assessed in terms of clarity of speech, structure of ideas and ability to engage the audience. Typically, a common mark will be given for all members of the group. However, the tutor may award different marks in extreme circumstances for exceptionally good or poor performance by an individual within a group. Groups exceeding 15 minutes will be penalised at a rate of 1 mark per minute out of the total of 5 marks. **No written report is required to be submitted for the group presentation.** The presentation weeks and questions are stated in the tutorial programme at the end of this document.

3. Mid-semester exam

The mid-semester exam will be held on Saturday September 20th. The exam will test your ability to present solutions to financial reporting problems and examine your ability to apply theory in a financial reporting setting. The exam will be two hours long (plus ten minutes reading time) and examine the material covered in the first 6 weeks (i.e., up to and including liabilities and equity). **The exam will be CLOSED BOOK.** Further information on the format, location and time of the exam will be provided in the week prior to the exam. Non-programmable calculators are permitted in the exam. A Further Mid-semester Exam will be held on Tuesday 9th December 2008 for students that have special consideration applications approved by the Faculty.

4. Final exam

The final exam will be held during the University examination period commencing November 10th 2008. The exam will test your ability to present solutions to financial reporting problems and examine your ability to apply theory in a financial reporting setting. The exam will be two hours long (plus ten minutes reading time) and examine the material covered in lectures 7 through 13 (inclusive). Topics examined in the mid-semester exam will not be re-examined in the final exam. **The exam will be CLOSED BOOK.** Further information on the format of the exam will be provided in the last week of lectures. Non-programmable calculators are permitted in the exam. A Further Final Exam will be held on Tuesday 9th December 2008 for students that have special consideration applications approved by the Faculty.

Students that wish to apply for special consideration for any of the assessment tasks should consult the Faculty Administration Manual for students available at: www.econ.usyd.edu.au/StudentManual/

2.5. Workload and minimum requirements

In order to successfully complete this unit of study, students are expected to meet all of the following minimum criteria:

- Complete **ALL** required progressive assessment materials, that is, the research essay, group presentation, mid-semester exam and final exam. **Failure to complete and submit ANY component of the assessment will result in an Absent Fail grade; AND**
- Attain an aggregate mark of 50% or higher

Academic Board guidelines state that one credit point equates to approximately 1.5 to 2 hours of student effort per week for a typical 13 week semester. This means that if you are an average student seeking to get an average result for this Unit then you should plan to spend at least 9 to 12 hours each week on learning. These hours would comprise 3 hours of lecture and tutorial attendance and another six hours of active learning. These non-contact hours would include activities such as reading course materials, completing the self-study questions, conducting research in the library, completing the essay, visiting staff during consultation and revision for the exams.

2.6. Feedback

In this unit you will receive the following feedback:

Weekly tutorial questions and discussion provides timely, regular feedback for students on their understanding of content and ability to apply concepts and processes to practical problems. Students are encouraged to ask questions during tutorials to clarify areas of concern.

Solutions for recommended self-study exercises are provided online to allow students to assess their understanding of course content.

Solutions to lecture demonstration questions presented in lectures provide students with the opportunity to determine how well they have understood the concepts presented.

Staff consultation times can be utilised to provide students with individual face-to-face feedback.

Blackboard discussion board has numerous forums for students to post questions regarding course content and assignments. The lecturers will answer questions posted within three business days.

Feedback on the research essay is provided on a detailed feedback/marking sheet that will be returned with your essay.

Feedback for the exams is provided in a number of ways.

- Marks for the mid-semester exam will be posted into the Blackboard Grade Centre as soon as marking is completed and all results have been compiled. Marks will not be given over the phone.
- Scheduled examination viewing sessions will be provided after the release of exam results. The dates and times of these sessions will be posted in due course on the Financial Accounting A Blackboard site. While students may view examinations under supervision, exams will not be returned to students.

Students can expect exams and the essay marks to be returned in a timely manner, generally within three weeks. Any student wishing to receive further feedback on an assessment task should make an appointment with course staff.

2.7. Academic honesty and plagiarism

Commencing students should complete the academic honesty module available via Blackboard before their first assessment submission. Students should refer to the University's policies on academic honesty and plagiarism (www.usyd.edu.au/policy), the Faculty's procedures for dealing with allegations (www.econ.usyd.edu.au/sio) and use the assessment cover sheet.

Academic honesty is important to protect students' right to receive due credit for work submitted for assessment. It is clearly unfair for students to submit work for assessment that dishonestly represents the work of others as their own and gain marks and degrees, which are not based on their own efforts and abilities. Deliberate breaches of academic honesty constitute academic misconduct. These breaches include: plagiarism, fabrication of data, recycling previously submitted material, engaging someone else to complete an assessment on one's behalf and misconduct during supervised assessments.

The penalties for academic misconduct may include: a mark of zero on the assessment; a fail grade in the unit of study, additional assessment (including an unseen exam), and reference of the matter to the University Registrar.

3. Student evaluation and feedback

Student feedback is valued in this unit. An anonymous discussion forum will be provided on Blackboard to allow students to provide feedback to staff. Additionally, the Discipline of Accounting holds staff/student meetings each semester and this unit of study will be represented by two student representatives. Additionally, at the end of session we will be seeking your feedback through the Unit of Study Evaluation (USE) instrument.

Comments received from students in previous semesters are reviewed by course staff and where appropriate have been incorporated into this unit of study. Examples include:

- providing a greater number of worked examples in lecture slides and a greater number of self-study questions;
- including additional discussion questions in tutorials;
- providing tutorial questions in advance of the class

4. University policies and services

All students must comply with and follow all Faculty and University policies and procedures.

Faculty policies are contained in the Administration Manual for Students at www.econ.usyd.edu.au/StudentManual. It is crucial that you take the time to consult this manual early in your studies in order to familiarise yourself with policies and procedures relating to critical issues such as the Faculty's policy on special consideration (including new requirements and timelines. e.g. Lodging applications five working days after a missed exam, and in advance for assignments), appeals and late submission. Assistance is available from the Faculty's Student Information Office at www.econ.usyd.edu.au/sio

University policies at www.usyd.edu.au/policy include: academic honesty www.usyd.edu.au/ab/policies/Academic_Honesty_Cwk.pdf, plagiarism www.usyd.edu.au/senate/policies/Plagiarism.pdf. Assistance is available from the University's Student Centre www.usyd.edu.au/studentcentre

The code of conduct is an important policy which outlines the University's expectations about treating all staff employees and students with respect, dignity, impartiality, courtesy and sensitivity and refrain from acts of discrimination, harassment or bullying. www.usyd.edu.au/ab/policies/Student_code_conduct.pdf Links to other student services and resources are included on Blackboard and on the Faculty's Learning and Teaching website www.econ.usyd.edu.au/students/learningsupport (e.g. counselling services)

5. Tutorial presentation questions

Q1a) "Recording upward asset revaluations in a revaluation reserve is consistent with the requirements of the AASB Framework for the Preparation and Presentation of Financial Statements." Discuss.

b) Discuss whether the findings in Cotter (1999) (see reading list) support the predictions of positive accounting theory.

Q2a) AASB 138 "Intangible Assets" prohibits the recognition of internally generated goodwill. Discuss whether this prohibition is consistent with the content of the AASB "Framework for the Preparation and Presentation of Financial Statements."

b) Read Chalmers and Godfrey (2006) (see reading list). Summarise the accounting practices used by Australian firms for purchased goodwill prior to Australia's move to IFRS. For firm's reporting purchased goodwill, discuss how the change to goodwill accounting arising from Australia's move to IFRS will impact on contracts relying on accounting numbers.

Q3 AASB 6: Exploration for and Evaluation of Mineral Resources allows firms the choice of recognising an asset for exploration and evaluation costs where activities in an area of interest have not reached a stage that permits a reasonable assessment of the existence of economically recoverable reserves.

a) Discuss whether an asset recognised in such circumstances is consistent with the requirements of the AASB "Framework for the Preparation and Presentation of Financial Statements."

b) Using positive accounting theory describe those firms that would be predicted to record exploration and evaluation costs as an asset in the above circumstances.

Q4. LH Electricals manufactures televisions that are sold with a one-year warranty as required by legislation. In April 2007 the firm discovered a fault in the televisions manufactured and sold in 2005 (none of these televisions remain in inventory). The fault, which is expected to affect all the televisions, sold in 2005 over the next five years results in the television becoming completely inoperable. In June 2007 the firm announces that customers can return the televisions once they become defective for a free repair. The CFO has requested that the effects of the announcement not be reported in the financial report, as she is concerned that it would result in a decline in sales.

a) Discuss, with reasons, how this event should be reported in the financial statements for the year ending 30 June 2007.

b) What do you think motivates the CFO to request no reporting of the offer to repair the defective televisions? Who would be potentially harmed or disadvantaged by non-disclosure?

Q5a). On 1 July 2005 the College of Knowledge commenced operations providing students with a three-year diploma in tourism. The College earns two main sources of revenue:

- i) Students are required to pay the entire three years tuition fee on commencement. The college notes clearly that the fee is non-refundable in any circumstances. Students attend the college for ten and fifteen hours per week in their first and second year of enrolment respectively. In their final year of enrolment students attend class for thirty hours per week. On completion of the diploma the College guarantees that it will find employment for each student within six months or half the tuition fee will be refunded.
- ii) Students are required to purchase a laptop from the College. The laptop is purchased from a local manufacturer and sold to students at 25% above cost. Students pay for the laptop in three equal instalments at the end of each year of study. Included in the sales price is ongoing telephone support with College IT staff.

Discuss how revenue should be recognised for the above two items.

- b) Outline the requirement of AASB 111 in relation to accounting for a loss on a construction contract. Is this requirement consistent with the qualitative characteristics of relevance and reliability?

6. Topic and assessment schedule

6.1 Lecture schedule

<i>Class</i>	<i>Date</i>	<i>Assessment Due</i>	<i>Topic</i>	<i>Out of class readings</i> (D = Deegan; Standards in handbook. Other readings available on Blackboard or as specified below. Additional readings may be set.)
1	July 28		Financial reporting environment and international convergence: IFRS convergence, sources of accounting regulation (Corporations Act, accounting standards, conceptual framework and selected ASX listing rules)	D Chapter 1, Chapter 2; AASB 101 para. 8, 13, Aus 13.1 Aus 13.2; AASB Framework (in Handbook) para. 24-46; Chalmers, Clinch and Godfrey (2007); Jones and Higgins (2006); Lonergan (2003);
2	Aug 4		Theories of Financial Accounting: positive and normative theories, legitimacy theories, theory of government regulation	D Chapter 3; Dechow and Schrand (2004); Wells (2002);
3	Aug 11		Property, plant and equipment: revision of the definition of an asset and accounting for depreciation and disposal of PPE, revaluation and impairment of PPE	<i>D Chapter 4 (review and update)</i> D Chapters 5, 6; AASB 116 para. 6-7, 15-17, 23-24, 29-43, 48, 50-53, 60-61, 67-68, 73-74, 77; AASB 136 para. 6, 9-12, 18-24, 30-31, 39, 44, 50, 52, 55, 58-60, 63, 110-111, 114, 117-121; Brown, Izan and Loh (1992), Cotter (1999)
4	Aug 18	Group presentation 1 (in tutorials)	Intangible assets: accounting for the initial recognition, amortisation, revaluation and impairment of intangible assets, accounting for non-current assets held for resale, accounting for investment properties	D Chapter 8, Chapter 4, pp. 173-174 Worked example 4.2, AASB 138 para. 2-5, 8, 12-32, 51-67, 71-81, 85-86, 88-94, 97, 100, 107-109, 118-119; Illustrative Examples accompanying AASB 138 1-8, AASB 5 para 6-8, 15, 20-21, 30; AASB 140 para 5, 8-9, 16, 20, 30, 33, 35, 38-40, 53, 55, 56, 66, 69; Chalmers and Godfrey (2006)
5	Aug 25	Group presentation 2 (in tutorials)	Mining and agricultural assets: accounting for mineral resources, accounting for agricultural products	D Chapter 21, AASB 6 para, Aus 7.1-7.3, 8-13, 15-18, Appendix A, D Chapter 9 pp340-354, AASB 141 para, 1, 4-8, 10, 12-14, 16-31, 41, 43, 46-50; Monem (2003)
6	Sept 1	Group presentation 3 (in tutorials)	Liabilities and equity: share capital and reserves; accounting for liabilities, provisions and contingent liabilities, accounting for non-current debt financing (note: effective interest rate method must be used); compound financial instruments (<i>If unfamiliar with present values, read D pp. 1352-1354</i>)	D Chapter 10 & 14; D Chapter 15 Compound Financial Instruments pp. 511-516, 542-544; AASB 101 para. 106-107, AASB137 para. 10-28, 31-32, 36-38, 42, 59, 61, 72
7	Sept 8	Group presentation 4 (in tutorials) Essay due – September 10 th	Employee benefits: including annual leave, sick leave, long service leave, superannuation both defined benefit and defined contribution plans	D Chapter 13 ; AASB 119 para. 4-16, 24-28, 43-45, 48-62, 78, 83, 92-93A, 96, 126-129, 133-134, 139-140
8	Sept 15	Mid-semester exam – Sept 20 th	Leases: operating and finance leases; accounting by the lessor and the lessee; implications for financial statements; research into the economic consequences of lease classification	D Chapter 11; AASB 117 para. 4, 7-13, 20, 24-28, 33, 36-46, 49-53, 58-64, Implementation Guidance (Table); Imhoff, Lipe and Wright (1991)

9	Sept 22		Accounting for income taxes: application of the Standard; recognition issues and critical evaluation	D Chapter 19 (omit section 19.5); AASB 112 para. 5, 6, 7 examples 1–3, 5; para. 8, examples 1 – 5; 12-15, 16 and example, 17, 20, 24-26 and example a-b, 34-37, 46-48, 53, 61-62; Appendix A, section A examples 1-5, section B examples 1-2; Appendix B Example 1
	Sept 29	MID-SEMESTER BREAK		
10	Oct 6		Accounting for revenue: Issues in revenue recognition, accounting for instalment sales, accounting for construction contracts	D Chapter 16, NB: discussion of accounting for long-term contracts with a loss is correct but example 16.5 is incorrect because revenue should still be based on % complete; AASB 111 para. 3, 22-26, 30, 32-33, 36-37, AASB 118 para. 6-11, 14-19, 20-28
11	Oct 13	Group presentation 5 (in tutorials)	Performance reporting and earnings per share: concepts of profit; format of income statement/statement of comprehensive income and required disclosures, statement of changes in equity, calculation of basic and diluted EPS	D Chapter 17 pp. 598-612, Chapter 27, except pp. 911-914; AASB 133 para. 5-7,9-10,12-13,19-20,26-28,30-31,33-34,36,41-42,45-47,49-50, Appendix para. A2, A15-A16; Examples following AASB133 Example 2 (treat treasury shares as a share buyback), Example 3 (CU means currency unit), Examples 4, 5, 9; AASB 101 para. 81-86, 88-92, 96-97
12	Oct 20		Other financial reporting issues: expanded disclosure including concise and interim reporting, accounting policy choice, changes in accounting policy and accounting estimates, prior period errors, events after balance date	Henderson & Peirson, 2004 pp, 674-679 (distributed in class), AASB 108 para 7, 10-14, 19, 22, 36-37, 39-40, 42, 49, AASB134 para. 8-11, 16, 28, 37, 39, 41; AASB 1039 para. 4-7, D Chapter 17 pp. 612-620, Chapter 24, AASB 110, para. 3, 8-14, 17-22
13	Oct 27		Course evaluation, revision and review	Revision questions posted on Blackboard
	Nov 3	STUDY VACATION		
	Nov 10-22	Final exam period	Final exam timetabled by University Exam coverage Lectures 7 to 13	

6.2 Tutorial/self study schedule

Tutorial questions will be made available on Blackboard in the week prior to the respective class. Tutorial questions will be attempted and discussed in class.

Tutorial	Date	Topics	Self-study questions
1	Aug 4	Financial reporting environment and international convergence Students form groups and choose presentation topic	D Ch 1: RQ 2, 4, 6; D Ch 2: RQ 7, 9, 15
2	Aug 11	Theories of Financial Accounting:	D Ch 3: RQ 1, 4, 14, 20, 36
3	Aug 18	Property, plant and equipment: Group presentation 1 due	D Ch 5: CQ 22(a) ; D Ch 6: RQ 12, CQ 18, 19, 21
4	Aug 25	Intangible assets: Group presentation 2 due	D Ch. 8: RQ 11, 15, 19, CQ 34
5	Sept 1	Mining and agricultural assets: Group presentation 3 due	D Ch 21: RQ 6, 8 CQ 15; D Ch 9: CQ 16, 18
6	Sept 8	Liabilities and equity: Group presentation 4 due	D Ch 10: RQ 4, 16, 20; D Ch 14: RQ 7, CQ 17; D Ch 15: CQ 30
7	Sept 15	Employee benefits:	D Ch 13: RQ 9, 15 CQ18, 20
8	Sept 22	Leases:	D Ch 11: RQ 2, 9 CQ 19, 20
9	Oct 6	Accounting for income taxes:	D Ch 19 RQ 1, 12, 15, 17 CQ 23
10	Oct 13	Accounting for revenue: Group presentation 5 due	D Ch 16: RQ 1, 12, 15,CQ 16, 17 (net-interest method only)
11	Oct 20	Performance reporting and earnings per share:	D Ch 17 RQ 9; D Ch 27 RQ 6, 10, CQ 15 (assume there is no interim dividend)
12	Oct 27	Other financial reporting issues:	D Ch 17 RQ 13; D Ch 24: RQ 1, CQ 5, 9, SQ 1 (see below)

D refers to questions from the text by Deegan (RQ = Review Question, CQ = Challenging Question). Solutions to tutorial and self-study questions will be posted on Blackboard in the week after the respective class.

Supplementary question

SQ 1: Give reasons for the preparation of concise financial reports.

6.3 Details of other readings

How to access the articles?

All articles are available for download (free of charge) from the University of Sydney library website. To access the articles you will need to search the library catalogue. We recommend searching by the title of the article.

Week 1:

Chalmers, K., Clinch, G., and J. Godfrey, 2007, The real bottom line, *In the Black* October, 52-54.
Jones, S., and A. Higgins, 2006, Australia's switch to international financial reporting standards: A perspective from account preparers, *Accounting and Finance* 46, 629-652.
Lonergan, W., 2003, Emasculation of accounting standard setting in Australia, *Journal of the Securities Institute of Australia* 3 (Spring), 6-12.

Week 2:

Dechow, P., and C. Shrand, 2004, Chapter 5, Earnings management, from "Earnings Quality," Research Foundation of CFA Institute, 37-61.
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