



The University of Southern Queensland

## Course Specification

### Description: Financial Accounting Theory

| Subject | Cat-Nbr | Class | Term    | Mode | Units | Campus |
|---------|---------|-------|---------|------|-------|--------|
| ACC     | 3116    | 14123 | 2, 2002 | ONC  | 1.00  | WIBAY  |

|                        |        |
|------------------------|--------|
| <b>Academic Group:</b> | FOBUS  |
| <b>Academic Org:</b>   | FOB008 |
| <b>HECS Band:</b>      | 2      |
| <b>ASCED Code:</b>     | 080101 |

### STAFFING

Examiner: Julie Cotter  
Moderator: Mark Vallely

### PRE-REQUISITES

Pre-requisite: ACC 3115

### SYNOPSIS

This subject involves the theory that is integral to financial accounting practice. Its primary objective is to enhance decision-making skills in relation to financial accounting issues. A framework for decision-making is provided. This includes an investigation of the popular theories and evidence in regard to financial reporting. The financial reporting issues addressed include the choice of accounting methods, voluntary disclosures, and environmental performance reporting.

### OBJECTIVES

On successful completion of this course students will be able to:

- Understand the popular theories of accounting practice and regulation and apply these to financial accounting issues;
- Make decisions in relation to financial accounting issues;
- Assess the impact of alternative financial reporting choices on share prices and the judgment of individual financial statement users.

### TOPICS

| Description                                      | Weighting (%) |
|--|---------------|
| 1. Introduction to financial reporting decisions | 8.00          |
| 2. Regulation of Financial Reporting             | 16.00         |

|  |       |
|--|-------|
| 3. Making financial reporting decisions                  | 32.00 |
| 4. Assessing the impact of financial reporting decisions | 22.00 |
| 5. Application to financial reporting issues             | 22.00 |

**TEXT and MATERIALS required to be PURCHASED or ACCESSED:**

Books can be ordered by fax or telephone. For costs and further details use the 'Book Search' facility at <http://bookshop.usq.edu.au> by entering the author or title of the text.

USQ Study Package (available from the University Bookshop).

Deegan, C. 2000 *Financial Accounting Theory*, McGraw-Hill, Sydney.

**REFERENCE MATERIALS**

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

Godfrey, J., Hodgson, A. & Holmes, S. 2000 *Accounting Theory*, 4th edn, Jacaranda Wiley, Brisbane.

Palepu, K., Bernard, V. & Healy, P. 2000 *Business Analysis and Valuation: Using Financial Statements*, 2nd ed, South Western College, Thomson Learning, Australia.

Scott, W.R. 1997 *Financial Accounting Theory*, Prentice-Hall Int., Upper Saddle River, N.J.

Sunder, S. 1997 *Theory of Accounting and Control*, South-Western College, Ohio.

Watts, R. & Zimmerman, J. 1986 *Positive Accounting Theory*, Prentice hall International, Englewood Cliffs, N.J.

White, G., Sondhi, A. & Fried, D., 1998 *The Analysis and Use of Financial Statements*, 2nd ed, Wiley, New York.

Whittred, G., Zimmer, I. & Taylor, S. 2000 *Financial Accounting: Incentive Effects and Economic Consequences*, 5th ed, Harcourt Brace, Sydney.

**STUDENT WORKLOAD REQUIREMENTS**

| ACTIVITY      | HOURS |
|---------------|-------|
| Assessment    | 20    |
| Lectures      | 26    |
| Private Study | 93    |
| Tutorial      | 26    |

## ASSESSMENT DETAILS

| Description           | Marks Out of | Wtg(%) | Required | Due Date               |
|-----------------------|--------------|--------|----------|------------------------|
| ASSIGNMENT 1          | 10.00        | 10.00  | Y        | 20 Aug 2002            |
| ASSIGNMENT 2          | 10.00        | 10.00  | Y        | 20 Sep 2002            |
| EXAMINATION (3 HOURS) | 80.00        | 80.00  | Y        | END S2<br>(see note 3) |

### NOTES:

3. Students will be advised of the official examination date after the timetable has been finalised.

## OTHER REQUIREMENTS

- 1 To be assured of a passing grade in this course, students must attempt all of the assessments, achieve at least 50% in the examination and at least 50% of the available marks for the course. Final grades for the course will be determined by the addition of the marks obtained in each assessment item, weighted as in the Assessment Details.
- 2 Students must retain a copy of all pieces of assessment which must be produced if/when required by the course leader.
- 3 **LATE ASSIGNMENTS** (i) All assessments submitted after the due date (and not approved for extension) in accordance with university policy will be penalised 20% per working day. (ii) If students submit assignments after the due date and wish to claim extenuating circumstances then they shall provide validated documentary evidence with the assignment, explaining the circumstances. (iii) The course examiner shall consider the statement accompanying a late assignment and decide on the outcome.
- 4 Assignments not submitted in the appropriate assignment folders will be deemed as not being received.
- 5 **DISHONEST ACTIONS** (i) Any student who is alleged to having performed a dishonest action relating to any assessment in the course will have a course of action taken against him/her as outlined in the Academic Regulations. (ii) Pieces of assessment should be the work of individual students. Joint pieces of assessment are not permitted unless written approval has been obtained from the course leader. (iii) Dishonest action in relation to assessment includes: copying or attempting to copy the work of others; use of or attempting to use information prohibited from use in that form of assessment; submitting the work of another as your own; consciously committing acts of plagiarism, ie taking and using another's thoughts or writings as one's own with intent to deceive, which occurs when paragraphs, sentences, a single sentence or significant parts of a sentence which are copied directly, are not enclosed in quotation marks and appropriately footnoted or referenced in the text; direct quotations are not used, but text is paraphrased or summarised, and the source of the material is not acknowledged by footnoting or other reference in the text.
- 6 **DEFERRED EXAMINATIONS** (i) Deferred examinations will be granted at the Dean's discretion based on non-attendance for medical, compassionate or

employment-related reasons having regard to item 1. If a deferred examination is granted, students shall sit the deferred examination in the next semester examination period. If, for whatever reason, this deferred examination is not taken then the student will be graded 'F'. (ii) To be eligible for consideration for a deferred examination, students must have submitted a genuine attempt at all mandatory assessment items. (iii) Deferral of an examination CANNOT be granted on an existing deferral in that course. (iv) Requests must be in writing to the Faculty Operations Manager clearly stating student name, student number, current address, course alpha-numeric identifier and name for the examination not attended. (v) Requests MUST BE supported by original or suitably authenticated documentation. (vi) Requests and documentation must be submitted to the Faculty Operations Manager within ten (10) calendar days of the missed examination date. (vii) Requests based on medical reasons must be supported by medical evidence on the appropriate University of Southern Queensland medical certificate or doctor's certificate. A medical certificate must be dated with the same date as the period of illness for which the absence from examination is being sought and clearly indicate the student's name and, if possible, student number (retrospective medical certificates will not be accepted for either assignment work or examinations). Only original or authenticated medical certificates will be accepted. A student's medical condition must be stated clearly (IN ENGLISH). (Certificates stating a student has a 'medical condition' may not be sufficient grounds for deferment of examination). Medical evidence must cover the student for the day(s) of the missed examination(s). (viii) Requests based on family/personal reasons must be supported by a clear statement (IN ENGLISH) from a medical practitioner, counsellor or independent member of the community. (ix) Requests based on employment-related reasons must be supported by a clear statement (IN ENGLISH) from the student's employer. (x) Students who have a medical condition or genuine compassionate or employment-related problems on the day of the examination are advised to obtain the relevant documentary evidence and NOT attempt the examination. If a student makes an attempt at the examination, the assessment item will be marked and a grade awarded. In these cases, a student cannot, after receiving a 'fail' grade, request a deferred examination or special consideration. (xi) Students who have been granted deferred examinations will not be granted a waiver of prerequisites, without the permission of the Heads of Department, in subsequent semesters (if they do not have a passing grade).

- 7 Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in an examination paper. The examination may test material already tested in assignments.
  - 8 Mechanised erasers, mobile telephones and other electronic media are not permitted in exam venues.
  - 9 The examination will be restricted. Translation Dictionaries of the English-Non-English, Non-English-English type are permitted to be used in the examination.
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