Unit Outline*

ACCT8511/ACCT8711

Intermediate Corporate Financial Accounting

Semester 2, 2011
Crawley

Associate Professor Colin Dolley

Business School
www.business.uwa.edu.au

* This Unit Outline should be read in conjunction with the Business School Unit Outline Supplement available on the Current Students web site http://www.business.uwa.edu.au/students
UNIT DESCRIPTION

Introduction
Welcome to ACCT8511 Intermediate Corporate Financial Accounting on behalf of unit coordinator, Colin Dolley and the UWA Business School. ACCT8511 Intermediate Corporate Financial Accounting is the second unit in the sequence of financial accounting units. Following this unit in the financial accounting area is Financial Accounting: Theory and Practice (ACCT8531). The optional unit Advanced Corporate Financial Accounting (ACCT8521) also follows this unit.

ACCT8511 is an intermediate course in financial accounting with a primary focus on accounting for companies. Current Australian practice is examined and integrated with broader theoretical perspectives, seeking to provide the student with a comprehensive and up to date understanding of the key relevant issues. The unit covers accounting for the main life stages of a corporation: birth, growth and taxes.

In addition to gaining specific skills in accounting for corporate activity you will also be equipped with the knowledge to research, analyse and critique current corporate accounting practice in Australia.

Colin Dolley is an experienced lecturer in this area, having taught at Australian universities for over 20 years.

Unit content
The main areas covered include: The nature of companies and their financing; Accounting for Income Tax; Disclosures in the Annual Report; Business Combinations, and Consolidation. Other areas will also be examined which relate to significant issues in the current corporate accounting environment.

The Goal of the unit
The overall aims of ACCT8511 Intermediate Corporate Financial Accounting are to develop your understanding of current issues in the field of corporate financial accounting, formulate skills via the application of Australian Accounting Standards and to encourage your interest in accounting as a profession.

Learning outcomes
On completion of this unit, you should be able to:

• Explain and discuss the theoretical principles behind corporate financial reporting.
• Critically evaluate the appropriateness of accounting requirements.
• Interpret and apply the specific requirements of a range of Accounting Standards issued by the Australian Accounting Standards Board (AASB)
• Apply the principles of accounting for tax, and identify and analyse the differences between accounting and tax treatments of various transactions.
• Account for non-current assets of the business with a particular focus on goodwill and its nature.
• Account for the business combinations of companies.
• Discuss and apply the concepts of consolidation to the preparation of consolidated financial statements for wholly-owned entities and entities with outside interests.
Educational Principles and Graduate Attributes

In line with the Educational Principles espoused by The University of Western Australia in this unit, you will be encouraged and facilitated to develop the ability and desire to:

- master the subject matter, concepts and techniques at internationally recognised levels and standards;
- acquire the skills required to learn, and to continue through life to learn, from a variety of sources and experiences;
- adapt acquired knowledge to new situations;
- communicate in English clearly, concisely and logically;
- acquire the skills needed to embrace rapidly changing technologies in a global environment;
- think and reason logically and creatively;
- undertake problem identification, analysis and solution;
- question accepted wisdom and be open to new ideas and possibilities;
- acquire mature judgement and responsibility in ethical, moral, social, and practical, as well as academic matters;
- work independently;
- acquire cross-cultural and other competencies to take a citizenship and leadership role in the local, national or international community.

TEACHING AND LEARNING RESPONSIBILITIES

Teaching and learning strategies

Intermediate Corporate Financial Accounting is a challenging subject and highly integrated from week to week. If you slip behind you will have difficulty catching up. The unit consists of the textbook and assigned readings, seminars, WebCT, problems and an independent examination. To gain the most from this unit you are encouraged to adopt the following strategy:

i. Read the Textbook and Assigned Readings: This introduces the topic and provides a comprehensive review of the material you need to know. Unless explicitly stated otherwise all sections of an assigned textbook chapter and the readings are examinable even if not directly referred to in other learning components.

ii. Attend the Seminar: This will contextualise the readings and review additional areas not sufficiently developed. There will be an emphasis on the background theory but also significant practical issues will be examined and explained. It recommended that you make every effort to attend the seminars. Review WebCT where you can access some solutions.

iii. Attempt the Practice Questions set for seminars. You are strongly encouraged to make a solid attempt at the questions (at least 3 to 4 hours of preparation are expected each week). This will put you in the best position to focus on areas of concern during the seminar. Given the comprehensive nature of this topic you can expect seminars to move at a quick pace, and it is only through preparation that you will know which areas you want the lecturer to focus on.

The lecturer is here to support you in your learning process, however the emphasis must be on your own learning. Should issues or concerns arise please do not hesitate to contact the lecturer, as it is important that issues affecting your learning are dealt with on a timely basis.
Teaching and learning evaluation

You may be asked to complete two evaluations during this unit. The Student Perception of Teaching (SPOT) and the Students’ Unit Reflective Feedback (SURF). The SPOT is optional and is an evaluation of the lecturer and the unit. The SURF is completed online and is a university wide survey and deals only with the unit. You will receive an email from the SURF office inviting you to complete the SURF when it is activated. We encourage you to complete the forms, as your feedback is extremely important and can be used to make changes to the unit or lecturing style when appropriate. The units in the UWA Business School are evaluated periodically and your constructive input is taken into account when this unit is updated.

Attendance

Participation in class, whether it be listening to a lecture or getting involved in other activities, is an important part of the learning process, therefore it is important that you attend classes. More formally, the University regulations state that ‘to complete a course or unit students shall attend prescribed classes, lectures, seminars and tutorials’. Where a student, due to exceptional circumstances, is unable to attend a scheduled class, they are required to obtain prior approval of the unit coordinator to be absent from that class. Any student absent from class without having had such absence approved by the unit coordinator may be referred to the faculty for advice and may be required to withdraw from the unit.

CONTACT DETAILS

We strongly advise students to regularly access their student email accounts. Important information regarding the unit is often communicated by email and will not be automatically forwarded to private email addresses.

<table>
<thead>
<tr>
<th>Unit coordinator/lecturer</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name:</td>
<td>Associate Professor Colin Dolley</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:cdolley@ecu.edu.au">cdolley@ecu.edu.au</a></td>
</tr>
<tr>
<td>Phone:</td>
<td>0405138286</td>
</tr>
<tr>
<td>Lecture times</td>
<td>Monday 5.00 p.m. – 8.00 p.m.</td>
</tr>
<tr>
<td>Lecture venue</td>
<td>ZOOL:G10</td>
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TEXTBOOK & RESOURCES

Unit Website
The unit’s web presence is through the UWA WebCT site (http://webct.uwa.edu.au/). The Unit Coordinator is able to assist if you have WebCT access but are unable to see the Intermediate Corporate Financial Accounting Unit specifically. All other questions should be directed to the WebCT Student Help Desk.

All course handouts, important announcements and additional readings will be accessed through the website. Discussion boards will also be available for students to post and answer questions. It is expected that the discussion boards will be a primary source of assistance with administrative and technical issues. The unit coordinator will regularly monitor these discussion boards and attempt to provide definitive responses when possible on a timely basis. Students will also have access to information about their ongoing assessment and results.

During the semester, students are expected to check the WebCT site and email accounts at least once per week. The unit coordinator will post information on the WebCT site on a routine basis as well as sending information via email messages.

Recommended/required text
The text required for this topic is:


We will use many chapters from this book and it will be the source of most of the workshops. It is highly recommended that you purchase your own copy. Also note that it must be the 8th edition because of the changes to Australian Accounting Standards that took place in 2008, which renders several of the chapters in the 7th edition as completely outdated.

You will also need:


Optional textbook. This textbook will be useful for this unit as well as other financial accounting units that you may take.


Additional resources & reading material
There are a number of texts that may support you in your learning. Whilst it is certainly NOT suggested that you purchase these books separately they may provide useful additional insight into areas you find difficult.

To Review Basic Principles:


To complement the more advanced areas

## UNIT SCHEDULE

<table>
<thead>
<tr>
<th>Week # Week commencing</th>
<th>Seminar Topic</th>
<th>Seminar Preparation Questions (Company Accounting)</th>
<th>Readings (Company Accounting)</th>
<th>Notes</th>
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<tbody>
<tr>
<td>1 August</td>
<td>Introduction</td>
<td>Regulation of companies</td>
<td></td>
<td></td>
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<tr>
<td>8 August</td>
<td>Cash flow statements</td>
<td>Attached question CS 13.1</td>
<td>HEMT, Ch.18 Ch. 13</td>
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<tr>
<td>15 August</td>
<td>Cash flow statements</td>
<td>CS 1.1, 1.3 PQ 13.1, PQ 13.2</td>
<td>Ch. 13 Manual practice set check</td>
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<tr>
<td>22 August</td>
<td>Financial reporting</td>
<td>CS 13.4, 13.5 PQ 13.3 10.8,10.9</td>
<td>Ch. 3 pp. 101-126 Ch. 10, Ch. 11</td>
<td></td>
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<tr>
<td>29 August</td>
<td>Financing company operations</td>
<td>RQ 10.2, CS 10.2, 10.3, 10.4</td>
<td>Ch. 2 Practice set due</td>
<td></td>
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<tr>
<td>5 September</td>
<td>Accounting for tax I</td>
<td>RQ 2.2, 2.3, 2.5 PQ 2.3, 2.7</td>
<td>Ch. 4</td>
<td></td>
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<tr>
<td>12 September</td>
<td>Accounting for tax II Property, plant and equipment</td>
<td>CS 2.2, 2.4 RQ 4.1, 4.2 PQ 4.4, 4.13(A)</td>
<td>Ch. 4 Ch. 5</td>
<td></td>
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<tr>
<td>19 September</td>
<td>Combinations of companies</td>
<td>RQ 4.4, 4.13, 5.14 PQ 4.8, 5.6, 5.8</td>
<td>Ch. 8 Class test 1</td>
<td></td>
</tr>
<tr>
<td>26 September</td>
<td>Study Break</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3 October</td>
<td>Introduction to consolidation</td>
<td>CS 4.2, 4.4 RQ 8.5, 8.10 PQ 8.2, 8.13</td>
<td>Ch. 14, 15</td>
<td></td>
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<tr>
<td>10 October</td>
<td>Consolidations – Wholly owned subsidiaries</td>
<td>CS 8.1, 8.2 RQ 14.4, 14.5 PQ 15.3, 15.7(A)</td>
<td>Ch. 15 Class test 2</td>
<td></td>
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<tr>
<td>17 October</td>
<td>Consolidations Intercompany transactions</td>
<td>CS 14.6, 14.9 PQ 15.5, 15.11</td>
<td>Ch. 16</td>
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<tr>
<td>24 October</td>
<td>Consolidations – Non controlling interests</td>
<td>PQ 16.3, 16.8</td>
<td>Ch. 17 Class test 3</td>
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<tr>
<td>30 October</td>
<td>Review</td>
<td>RQ 17.2, 17.3 PQ 17.1, 17.6</td>
<td>Company file due</td>
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ASSESSMENT

The purpose of assessment

There are a number of reasons for having assessable tasks as part of an academic program. The assessable tasks are designed to encourage you to explore and understand the subject more fully. The fact that we grade your work provides you an indication of how much you have achieved. Providing feedback on your work also serves as part of the learning process.

The Practice Set is designed to consolidate your basic knowledge of the accounting processing of transactions. It provides an overall view of deriving financial statements from transactions.

The seminar Team Exercises enable you to develop your skills of reasoning and presenting arguments on various accounting topics. The group work will also help you to develop inter-personal skills.

The Company File assignment provide an opportunity for you to develop and enhance your ability to explain, discuss and account for corporate accounting topics covered in this unit. Performing this task as a team is a beneficial experience as it develops your skills including interpersonal skills, team time management skills and communication skills.

The class tests will give you feedback on your understanding of key topics.

The Final Examination of this unit will examine all topics covered including those in lectures, workshops and indicated textbook chapters and readings. The purpose of this assessment item is for you to demonstrate your ability to discuss, analyse, interpret, explain and account for the topics that have been covered in the unit.

Assessment summary

<table>
<thead>
<tr>
<th>Item</th>
<th>Weight</th>
<th>Due date</th>
<th>Remarks</th>
<th>Submission</th>
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</thead>
<tbody>
<tr>
<td>Accounting Practice Set</td>
<td>15%</td>
<td>Monday 29 August 5 p.m.</td>
<td>Individual assignment</td>
<td>WebCT</td>
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<tr>
<td>Seminar Team Exercises</td>
<td>10%</td>
<td>Ongoing</td>
<td>Group activity</td>
<td></td>
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<tr>
<td>Company File</td>
<td>10%</td>
<td>Monday 30 October 5 p.m.</td>
<td>Group activity</td>
<td>WebCT</td>
</tr>
<tr>
<td>3 Class tests</td>
<td>3 x 5 = 15%</td>
<td>12 September 3 October 24 October</td>
<td>Individual/Group tests</td>
<td></td>
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<tr>
<td>Final Examination</td>
<td>50%</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
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Note 1: Results may be subject to scaling and standardisation under faculty policy and are not necessarily the sum of the component parts.

Note 2: Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning outcomes as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the unit.
Assessment components

Practice Set
- This comprises a set of books. Students are given a batch of transactions and have to process these using a set of books, consisting of journals, ledgers, trial balance and asset schedules. Final reports are produced from these records. The Practice Set is "'Gone Fishing Pty Ltd' which can be purchased from the bookshop.
- Full details will be made available at a later date. The submission date is 29 August 5 p.m. Late penalties are imposed as listed under group problems. Extensions, for late submission without penalty, will only be granted by the unit co-ordinator for legitimate reasons.

Seminar team exercises
- Teams consist of 4 to 5 members.
- Each team will be allocated a week when they give their presentation. There are fourteen presentations. Two each week for seven weeks. Each presentation will be different.
- All students will know the topic covered in the relevant week.
- Each team will produce a Power Point presentation on a USB device to be handed in at the start of the relevant seminar.
- During the course, each team will produce one Power Point presentation. The presentation is worth 10%.

Company Profile
- Your team will be allocated a company and will be asked to prepare a profile of the company in relation to a number of accounting issues. These accounting issues relate to topics covered during this unit. The basis for the Company Profile will be the company’s annual report and related company website investor information.
- Full details and submissions dates will be made available in a separate handout.
- Extensions can only be granted by the unit co-ordinator. There must be a legitimate reason, with documentary evidence provided, for late submission without penalty.

Class Tests
- The Class Tests are designed to be a formative assessment in that they will give feedback on your understanding of key components of the course.

Final Examination
- This assessment is designed to be summative in nature and as such will cover all topics examined in this unit.
- Note that material previously covered in ACCT8432: Accounting (or equivalent) is assumed knowledge and may be relevant to the final exam. Final details on the format of the exam and the best method of preparation will be distributed closer to the end of semester.
- To pass this unit, students are required to achieve a score of at least 45% in the final exam. Students who fail to achieve the minimum standard in the final exam but achieve an accumulated score based on all assessment components for the unit of 50 and above, will be awarded an FC grade.
**Submission of assignments**

Where there is a group of two students use a group cover sheet providing full details of the group members. Only one copy of the assignment can be submitted per group. Details on the return of assignments will be posted on WebCT.

Please remember to attach an Assignment Cover Sheet to the front of your assignment. You can download and print your Assignment Cover Sheet from the Current Students web page: [http://www.business.uwa.edu.au/students/assessments](http://www.business.uwa.edu.au/students/assessments)

**Student Guild**

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Facsimile: (+61 8) 6488 1041  
E-mail: enquiries@guild.uwa.edu.au  
Website: [http://www.guild.uwa.edu.au](http://www.guild.uwa.edu.au)

**Charter of Student Rights and Responsibilities**

The Charter of Student Rights and Responsibilities outlines the fundamental rights and responsibilities of students who undertake their education at UWA (refer [http://handbooks.uwa.edu.au/undergraduate/polproc/policies/StudentRights](http://handbooks.uwa.edu.au/undergraduate/polproc/policies/StudentRights)).

**Appeals against academic assessment**

The University provides the opportunity for students to lodge an appeal against assessment results and/or progress status (refer [http://www.secretariat.uwa.edu.au/home/policies/appeals](http://www.secretariat.uwa.edu.au/home/policies/appeals)).