School of Accounting and Commercial Law

ACCY 309 INTERNATIONAL ACCOUNTING TOPICS

Trimester Two 2010

COURSE OUTLINE

Names and Contact Details
Course Coordinator & Lecturer: Dr Bhagwan Khanna
   RH 602  463 5843
   Bhagwan.Khanna@vuw.ac.nz

Lecturer: Dr Wares Karim
   RH 713  463 5847
   Wares.Karim@vuw.ac.nz

Lecturer: Mr Pala Molisa
   RH 616  463 6154
   Pala.Molisa@vuw.ac.nz

Note: Lecturers will maintain their office hours “by appointment only” for this course.

Administrator: Ms Pinky Shah
   RH 708  463 5775
   Pinky.Shah@vuw.ac.nz

   Office hours: Monday-Friday 8.30am-5pm
   Office is closed: 10.30-10.45am and 3.30-3.45pm

Trimester Dates
Teaching Period: Monday 12th July – Friday 15th October 2010

Withdrawal from Courses:
Your fees will be refunded if you withdraw from this course on or before 23 July 2010

The last date for withdrawal from this course is the three-quarter point of the teaching period, i.e. Friday 24 September. After that date, withdrawal requires the permission of the Associate Dean (Students) as set out in section 8 of the Personal Courses of Study Statute http://policy.vuw.ac.nz/Amphora!~policy.vuw.ac.nz~POLICY~000000001743.pdf

To apply for permission, fill in the Late Withdrawal form available from either of our Student Customer Service Desks.

Class Times and Room Numbers
Lectures will be held on:
   Tuesdays: 10.30 to 12.20pm in GB LT3 and
   Thursdays: 10.30 to 12.20pm in GB LT3

There are no tutorials for this course.
Course Content
This course builds on knowledge gathered in other accounting courses and will cover topics such as the need for and importance of studying international accounting; the role of cultural and societal values in understanding differences in accounting and reporting practices in the USA, UK, Australia, France, and Japan; international harmonisation process and the role of the International Accounting Standards Committee (IASC).

The course will also examine the nature and growth of multinational corporations and financial reporting issues such as segment reporting, consolidation and financial statement analysis, foreign exchange and accounting for foreign currency transactions. In addition, international transfer pricing and taxation issues will be discussed. This course of International Accounting is geared to examine the international dimension of accounting, accounting history, financial reporting and analysis. It aims to provide students with an in-depth look at the multinational enterprise and the preparation and presentation of financial statements in different countries.

We intend to cover the reasons for the study of international accounting, the concepts involved, influence of stages of economic growth on accounting development etc, transfer pricing, foreign currency translation, financial disclosure, auditing, international corporate taxation, international accounting harmonization, a comparison of global accounting methods and financial reporting, social and environmental issues, and ethics and the “public interest”. Some topics may be covered lightly, with a view to enabling students to undertake in-depth study for their assignment(s).

Tentative Lecture Schedule (Teaching Topics):
Dr Bhagwan Khanna will lecture during the first half of the course. Dr Wares Karim and Pala Molisa will lecture during the second half of the course.

<table>
<thead>
<tr>
<th>Date &amp; Topic</th>
<th>Prescribed readings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Week 1 – week beginning 12/07/10</strong></td>
<td>● Chapters 1 and 2; Doupnik &amp; Perera.</td>
</tr>
<tr>
<td><strong>Week 2 – week beginning 19/07/10</strong></td>
<td>● Chapter 2; Doupnik &amp; Perera.</td>
</tr>
<tr>
<td>Major areas of differences in international financial reporting</td>
<td>● Chapters 5; Doupnik &amp; Perera.</td>
</tr>
<tr>
<td>Week 4 – week beginning 02/08/10</td>
<td>● The library research work.</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>Week 5 – week beginning 09/08/10</td>
<td>● Chapters 5; Doupnik &amp; Perera.</td>
</tr>
</tbody>
</table>
| Financial reporting in Australia, Germany/Mexico, Japan and Developing countries | |}
| Week 6 – week beginning 16/08/10 | ● Chapter 3 and 4; Doupnik & Perera. |
| MID-TRIMESTER BREAK 23/08/10-03/09/10 | |
| | ● Wai Fong Chua (1986), Radical Developments in Accounting Thought, *Accounting Review,* 61(4), 601-632. **Recommended, not a required reading.** |
Week 8 – week beginning 13/09/10
Understanding Accounting (cont’d)
• Discussion to continue

Week 9 – week beginning 20/09/10
International accounting & Harmonization

Week 10 – week beginning 27/09/10
International Accounting and Corruption
• Jeff Everett, Dean Neu, and Abu Shiraz Rahaman (2007), Accounting and the global fight against corruption, Accounting, Organisations and Society, 32(6), 514-542.

Week 11 – week beginning 04/10/10
Topic: TBA

Week 12 – week beginning 11/10/10
In-class End of Trimester Test

Course Learning Objectives
By the end of this course, students should be able to:
1. state national accounting concepts and procedures;
2. present and analyse financial statements;
3. explain major differences between countries in their approaches to financial reporting;
4. understand harmonisation and standardisation;
5. understand functional currencies;
6. explain the development of international financial accounting standards and the role of the International Accounting Standards Board;
7. analyse the social, environmental and ethical issues that are involved in the internationalisation of business and the role of accounting within that;
8. analyse the implications of professionalism and the “public interest” in the international business environment.

Course Delivery
There are two two-hour lectures for this course on Tuesdays and Thursdays. There are no tutorials. Class hand-outs will be given out during class times and put on Blackboard at the lecturer’s discretion.
**Expected Workload**

Students are expected to devote at least 4 hours of preparation time per lecture. Students are also expected to have read the assigned readings and to have done the assigned homework before each class. The minimum total hours that students are expected to reasonably devote to the course are on an average 12 hours per week.

**Group Work**

No group assignment except discussion in the class where everyone is expected/required to participate individually and/or in groups.

**Readings**

The recommended text book is:


In the first half of the course we will be working more closely from the recommended textbook. In the second half of the course assigned readings will also be given out. You will be expected to have read the readings prior to class. Supplementary readings will also be given out when ever needed.

In addition, you are strongly encouraged to refer to any book on International Accounting. A few are mentioned as follows:


**Materials and Equipment**

Silent, non-programmable electronic calculators may be used in the end-trimester exam.

**Assessment Requirements**

Lectures will be the primary method of teaching and students are required to actively participate in the class discussions. Students will be required to complete a Research Essay as outlined below, (topic to be approved by at least one lecturer) dealing with current issue(s) of international accounting. Mid trimester test and end of trimester test will be during the normal lecture hours. Other details about assessments are as follows:

<table>
<thead>
<tr>
<th>Assessment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid Trimester Test (19th August, 2010)</td>
<td>25%</td>
</tr>
<tr>
<td>Research Essay (12th October, 2010)</td>
<td>25%</td>
</tr>
<tr>
<td>End of Trimester Test (14th October, 2010)</td>
<td>50%</td>
</tr>
</tbody>
</table>

Every piece of work submitted for assessment is to be substantially your own, although you are encouraged to discuss your ideas and approaches as they develop with other students. Submitting another’s work as your own would be unethical, whether you are detected or not, and is not
consistent with the behaviour expected of students. There are substantial penalties (detailed in the University Calendar) for academic misconduct.

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

Students must complete the research essay to a satisfactory standard. Students must submit the research essay approved by Dr Wares Karim, Pala Molisa or by Dr Bhagwan Khanna.

The due date for the research essay is:

**Research Essay Thursday, 12th October, 2010.**

The research essay is designed to give scope to the students to explore systematically and in more depth areas of international accounting practice and their role in globalization processes. Issues that students would be able to interrogate include, but are not limited to, the state national accounting concepts and procedures; the cause of differences between countries in their approaches to financial reporting; the politics and social effects of harmonization; the history and evolution of international accounting institutions such as the IASB; emission trading schemes, carbon accounting and climate change mitigation; and the social and ethical issues raised by accounting’s implication in global economic and financial flows.

**Note:** Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

**Penalties**
Late submission will incur a penalty of 10% per day of the allocated marks for the assignment or the research essay.

**Mandatory Course Requirements**
You must hand in the Research Essay.

**Class Representative**
A class representative will be elected in the first class, and that person’s name and contact details will be available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

**Communication of Additional Information**
Information such as course notices will be posted on Blackboard.
Use of Turnitin
Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine http://www.turnitin.com. Turnitin is an on-line plagiarism prevention tool which compares submitted work with a very large database of existing material. At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

For the following important information follow the links provided:

Academic Integrity and Plagiarism
http://www.victoria.ac.nz/home/study/plagiarism.aspx

General University Policies and Statutes
http://www.victoria.ac.nz/home/about/policy

AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support
http://www.victoria.ac.nz/home/about_victoria/avcadademic/Publications.aspx

Faculty of Commerce and Administration Offices
http://www.victoria.ac.nz/fca/studenthelp/

Manaaki Pihipihinga Programme
http://www.victoria.ac.nz/st_services/mentoring/