

School of Accounting and Commercial Law

MMPA 501 FINANCIAL ACCOUNTING

Trimester Three 2010

COURSE OUTLINE

Names and Contact Details

Course Coordinator/Lecturer

Dr David Carter RH 617
Phone: 463 6921
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Office Hours: To be advised

Lecturer

Dr Lisa Marriott
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Office Hourse: To be advised

Administrative Coordinator

Lee Vassiliadis RH 708
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Office Hours: Mon – Fri 8.30am – 5pm
Office Closed: Mon – Fri 10.30-10.45am & 3.30-3.45pm

Trimester Dates

Teaching Period: Monday, 15 November – Thursday, 23 December 2010

Mid-Term Break: Friday, 24 December – Tuesday, 4 January 2011

Trimester Three Continues: Wednesday, 5 January 2011 – Friday, 18 February 2011

Withdrawal from Courses:

Your fees will be refunded if you withdraw from this course on or before:
21st November 2010.

The last date for withdrawal from this course is the three-quarter point of the teaching period.
i.e.28th January 2011.

Co-Requisite

Please note that it is a requirement that you pass a Bookkeeping test while enrolled in this paper.
Bookkeeping will be covered in the first three weeks of teaching.

Class Times and Room Numbers

Lectures:

Class meets Fridays from 1.40 – 4.40 in the Old Government Buildings, Lecture Theatre 4.

There are 12 lectures in total. Students are expected to attend all classes. Classes involve a mixture of lecture material, tutorial discussion, and group work.

Examination:

There will be a comprehensive final exam in mid-to-late February. Full details will be discussed with the class.

Course Learning Objectives

At the conclusion of this course, students should be able to:

- a) Explain and evaluate the nature of financial accounting in relation to the variety of contexts for accounting information, the users and uses of accounting information, and the limitations of accounting information.
- b) Explain the primary financial statements (including the Balance Sheet, Income Statement, Cash Flow Statement, and Statement of Service Performance) and describe their integrated nature and linkage to the accounting equation.
- c) Explain the nature of regulatory frameworks shaping accounting in New Zealand;
- d) Explain the centrality of assets to the accounting system;
- e) Describe, explain and evaluate the application of asset specific NZ IFRSs relating to identification, recognition and measurement; and
- f) Explain and evaluate the associated movements for these asset-specific NZ IFRSs including depreciation, impairment and gains and losses.

Course Content

This financial accounting course focuses on introducing and developing core theoretical and practical issues in respect of financial accounting. The course emphasises key issues that face accountants in practice and the development of an understanding of how different contexts affect accounting and financial reporting. This involves a thorough grounding in the foundations of financial accounting knowledge including the role of regulation, the integrated nature of the primary financial statements, and the variety of contexts, users, uses and limitations of financial accounting information. The concept of the ‘asset’, as the driver of the accounting system, will be explored in depth to illustrate a range of theoretical and practical concerns relevant to financial accounting.

The course introduces and develops a set of core themes to financial accounting:

- The nature of different reporting entities in New Zealand - this extends to considering entities of different legal structure, profit-orientation, sector and scale;
- The qualitative characteristic of “relevance” – how this concept may be interpreted in the context of different issues and/or different entities;
- The qualitative characteristic of “faithful representation” – this encompasses aspects of neutrality, prudence, ‘substance over form’ and completeness; and
- The impact of harmonisation – this includes examining what is meant or symbolised by this concept and the practical implications for accounting for different entities in New Zealand.

Week	Lecturer	Topic/Topics	Textbook Chapter(s)	Tutorial/ Assignment
Week 1 19 November	Lisa Marriott	Introduction to the objectives of financial accounting, users and uses of financial accounting Regulatory framework for accounting Introduction to IFRS/NZ Framework Qualitative characteristics Introduction to Bookkeeping The Accounting Equation	D & S Ch. 1 & 2	
Week 2 26 November	Lisa Marriott	General Ledger Inventory Balance Day Adjustments	Readings provided	
Week 3 3 December	Lisa Marriott	Non Current Assets and Depreciation Financial Statements	Readings provided	
Week 4 10 December	David Carter	What is an Asset?	D & S Ch. 4	Bookkeeping Test (1)
Week 5 17 December	David Carter	Accounting for Assets: IAS 16 - Property, Plant and Equipment	D & S Ch. 4 & 5	
MID-TERM BREAK				
Week 6 7 January	David Carter	What is accounting? Evaluation and Re-evaluation		Bookkeeping Test (2)
Week 7 14 January	David Carter	Accounting for Assets: Inventory (including issues of valuation)	D & S Ch. 7	
Week 8 21 January	David Carter	Accounting for Assets: IAS 38 – Intangibles	D & S Ch. 8	
Week 9 28 January	David Carter	Accounting for Assets: Infrastructure and Heritage Assets	D & S Ch. 9	
Week 10 4 February	Lisa Marriott	Accounting for Liabilities	D & S Ch.10	Assignment and Essay
Week 11 11 February	Lisa Marriott	Financial Statement Analysis	Readings provided	
Week 12 18 February	Lisa Marriott	To be discussed		

Course Delivery

The course is delivered in one three-hour lecture a week. The course lecturers will assign readings and out of class work that is expected to be completed. A thorough understanding on all assigned material is essential. The lecture will involve a range of activities from group work to tutorials to more conventional lecturing. Course lecturers will post material on blackboard. It is suggested that students regularly check blackboard for updates, announcements and materials.

Expected Workload

As a 15-point paper, it is expected that students will work for 150 hours across this course (this includes the 12 teaching weeks, mid-trimester break, study week and the examination period). Class accounts for 36 hours of this time. Accordingly, students are expected to give 7 hours per week during the teaching weeks outside of class to lecture preparation, lecture review, readings, and assignments, and a further 30 hours spent on preparing for the bookkeeping test and exam.

Readings

There is one **required text** for the course:

- Deegan, C. and Samkin, G. (2009) *New Zealand Financial Accounting*, 4th edition, McGraw Hill.

Course lecturers will provide additional readings as is necessary, including applicable New Zealand Equivalents to International Financial Reporting Standards.

However, these texts are recommended. Students may benefit from access to:

- Applicable Financial Reporting Standards (Volumes 1 and 2) - *New Zealand equivalents to International Financial Reporting Standards*. New Zealand Institute of Chartered Accountants (2009 or 2010 editions);
- Gaffikin, M. (2008) *Accounting Theory: Research, Regulation and Accounting Practice*, Pearson Education

Materials and Equipment

Relevant teaching materials, extra readings, practice examples, assignments, the essay, etc will be provided for students on an ongoing basis, primarily on Blackboard.

Assessment Requirements

Please provide a cover page for your assignment and essay, which includes the course number, your name, student ID number, and a word count. The assignment and essay need to be emailed to David.Carter@vuw.ac.nz (you do not have to hand in a hard copy).

No assignment and essay will be accepted for assessment purposes after the deadline of 3.00 pm, unless accompanied by certification by a doctor or similar. However because it is a mandatory course requirement that a reasonable attempt is made at the assignment, take-home test and the essay, late items must be submitted to enable an assessment of whether this mandatory course requirement has been met.

There are **three** assessment items in this course:

Assessment Item	Specifications	Percentage	Course Learning Objectives*	Date
Bookkeeping Test	100 minutes	10%	a, b	To be confirmed. In the week beginning Monday, 6 December
Essay and Assignment	2,500 words and 4 pages	25%	a, d, e	3 pm, Wednesday, 2 February
Exam	120 minutes	65%	b, c, d, e, f	To be confirmed

* For the Course Learning Objectives, refer to page 2 above. The letters a, b, c, d, e, and f correspond with the objective.

To pass the course, students must obtain 50% across the course assessment.

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.

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period.

Penalties

No assignment/essay will be accepted **for assessment purposes** after the deadline of 3.00 pm, unless accompanied by certification by a doctor or similar. However because it is a mandatory course requirement that a reasonable attempt is made at each of these assessment items, late items must be submitted to enable an assessment of whether the mandatory course requirement has been met.

Mandatory Course Requirements

In addition to obtaining an overall course mark of 50% or more, students must:

- Pass the Bookkeeping test with a mark of 75% or more;
- Attend at least 10 out of 12 lectures; and
- Make a reasonable attempt at assignment and essay.

Class Representative

Students will have the opportunity to elect a class representative 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

Additional information will be conveyed by Blackboard or by email to all class members. Once you have registered for this course you should be able to connect to Blackboard at <http://blackboard.vuw.ac.nz>. If you are not registered, please contact the FCA office on the ground floor of the Railway West Wing opposite Rutherford House. If you cannot access Blackboard after 48 hours please come to our office at RH708 where we can enrol you on Blackboard.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building on the ground floor (EA005). This counter is the first point of contact for:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Use of Turnitin (if applicable)

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/avcacademic/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/

