



ACCG835 International Accounting

Assessment Guide Session 2, 2019

Note – this is NOT the Unit Guide

The official Unit Guide is available online and is accessed separately through iLearn of this unit. The assessment guide should be read in conjunction with the Unit Guide.

*Department of Accounting and Corporate
Governance*

RELATIONSHIP BETWEEN ASSESSMENT AND LEARNING OUTCOMES

The learning outcomes are assessed as follows:

- | | |
|--------------------------------------|-------------|
| • Class test (Weeks 4 and 7) | 20% |
| • Group Research Report (Weeks 9-12) | 20% |
| • Final Examination | <u>60%</u> |
| | <u>100%</u> |

Assessment	Weight	Due Date	Linked Learning Outcomes	Linked Graduate Capabilities	Brief Description
Class Test	20%	Week 4 and 7	1, 2, 3, 4	1, 2	Class Test
Research Report	20%	Weeks 9-12	1, 3, 4, 5	1, 2, 3	Report
Final Examination	60%	University Examination Period	1, 2, 3, 4, 5	1, 2	Final Examination

To pass the unit students must achieve an overall passing grade in their overall assessment as per the University policy.

The assessment components are explained in more detail below:

CLASS TEST (20% of overall assessment)

During Week 4 (covering Weeks 1-3) and Week 7 (covering Weeks 4-6) short tests will be conducted during class time. Each test will account for 10% of your overall assessment. The first test in Week 4 is an early diagnostic assessment, the results of which will be indicative of the student's application to achieving the learning outcomes of the unit. Students who achieve poor results in this test should consult the teaching staff regarding strategies for improving their performance. The tests are designed to give timely feedback as to your understanding of key topics and concepts of topics covered and to identify any particular learning challenges or areas of difficulty prior to the final examination. **You must sit for each test in your registered class.** The attendance roll will be marked just before each test and students not registered in that class will not be allowed to sit the test.

Each test will consist of short essay questions and will be of 60 minutes' duration. The test will be open-book (reading materials or course notes can be consulted during the test) and conducted under examination conditions. The test will gauge students' ability to critically evaluate the issues covered in the relevant topics, case studies and

associated readings. The feedback will be provided to the students after the tests have been completed.

Students need to revise all the lecture materials, weekly assigned homework questions, textbook chapters and additional readings while preparing for the Class tests.

If the test is missed due to illness or other valid reason students can apply for Special Consideration. There is no supplementary test but the marks awardable to the test may be re-distributed.

REPORT (20% of overall assessment)

Submitted during Weeks 9-12

Students will work in groups of four to five people for this assignment. Each group presents a different topic (there are 12 topics). The topics are located in the class schedule for weeks 9-12. Students will form themselves into groups between weeks 4 and 5 and submit an allocation form in class during Week 5. Preferences for topics are also made on that form. Do not commence work until your topic is confirmed by the lecturer via iLearn.

The Report topics are designed to extend the themes and subjects of the lecture material, by means of additional information and examples discovered by the students. This represents an interactive method of learning that draws on lecturer leadership, student research and class discussion. Each group must:

1. Prior to a presentation, prepare a written Report of no more than 2500 words in length. PLEASE DO NOT EXCEED THE WORD LIMIT. A PENALTY MAY APPLY IF THE WORD LIMIT IS EXCEEDED (this requirement is to help establish fair assessments). The word length includes headings but does not include the reference list at the end or appendices. Please keep appendices to a minimum.

USE THE COVER SHEET PROVIDED ON iLEARN.

2. Prepare a power point presentation or overhead projector slide summary of no more than ten slides of their findings in the Report. (A paper copy should also be brought as a back-up). The slide summary will be used to present the Report to the class. PLEASE DO NOT EXCEED THE SLIDE LIMIT. A PENALTY MAY APPLY IF THE SLIDE LIMIT IS EXCEEDED.
3. An e-copy of the written assignment must be submitted via iLEARN before the presentation. One paper copy must be provided to the lecturer in class immediately before the presentation. An INSTANT TEN MARK PENALTY applies unless both copies are supplied on time. Note: Emailed copies are not acceptable. The lecturer will scan the e-copy with the university's anti-plagiarism software.
4. The group will be given 20 minutes for the presentation and each member of the group **MUST** present for five minutes. Note that marks will be allocated to individual presentations and **NOT** for the group. This may result in significant

differences in marks allocated to members within the group. After this, the topic will be opened for further discussion, with the class being invited to ask questions to the group.

The group will be given a combined mark out of 20 for the presentation and the written report. Marks will be distributed as follows: Presentation component, maximum 10 marks; Written component, maximum 10 marks. When awarding marks the lecturer will assess the professional nature of both components. For the presentation component, the group's ability to stimulate interest and class discussion will form part of the assessment. The marks are part of the formal evaluation in the unit. As already indicated each group member will receive their individual marks for the presentation component and the same mark for the written component unless the group indicates otherwise. It is the students' responsibility to make sure that workloads are distributed properly.

The marked projects will be returned to the students with feedback in the week following the presentation and the detailed criteria for marking will be provided on iLearn by Week 5.

To conduct your research, you may find it helpful to consult the internet, regulators' sites in particular, also newspapers, business magazines and professional or academic journals. Write your reports in a professional manner with sub-headings and clearly defined sections. Be succinct and clear. Don't waste any words. Don't copy lengthy quotes. Reports must be neatly presented, double spaced, typed on ONE side of the page only. Please keep a copy of your assignment.

Please be aware of PENALTIES for PLAGIARISM (see below)

Appropriate referencing

You should acknowledge all sources of material in an accepted academic manner. Each statement, quote, piece of information that is not your own must be identified throughout the Report and a reference given which shows full details of author, publication, date, page number. IT IS NOT SUFFICIENT JUST TO HAVE A LIST OF REFERENCES AT THE END.

Any passage that is directly reproduced needs QUOTE MARKS ("...") plus a reference, example, the following is word-for-word copy from Brown:

"Mitsubishi corporation approached the New York Stock Exchange during January 1996 and obtained a favorable outcome from the chairman on seventeen of their twenty-five demands" (Brown 2007, page 1).

You will also need to put full details of Brown in your alphabetic reference list at the END of the assignment. If an internet reference has no page number you can cite the URL.

Aardvaark, A., 2019,

Brown, B., 2007, title of article or chapter, name of publication underlined, edition number, page numbers.

Catfish, C. and Dogfish, D., 2001, "Great moments in Japanese history",
www.catfishdogfish.org/japan/history/

If you are abstracting the idea from its source and re-writing in your own words you do not need the quotation marks, for example:

According to Brown (2007) Mitsubishi lobbied the NYSE in the 1990s.

If you need more information on how to reference properly then go to the Macquarie University Library website at <http://www.lib.mq.edu.au/research/referencing.html>

It is recommended you use the Harvard Referencing system. In ACCG835 I do not mind if the style of the referencing varies a little as long as it is understandable and accurate.

Appropriate referencing is essential for your research report. Students who provide inadequate or no references can expect to receive penalties even if there is no evidence of plagiarism. A written submission with no references at all but without evidence of plagiarism can usually expect to receive a penalty of 50% of awardable marks. Those with inadequate references can expect to receive a penalty in the range of 10-50% of marks.

Copying from the internet

While the internet provides a useful material source we have had a number of problems in the past with the way students use the material in their assignments. Turnitin ® software is able to give lecturers a precise indication of the amount of internet material used in the assignment (i.e. as a percentage of the assignment). (Note: Commonly used phrases, titles, etc identified in Turnitin are not regarded as plagiarism and the lecturer uses discretion on these.)

Some student's copy and paste large slabs of material directly from the internet into their assignments without any change or attempt to rewrite the material in their own words. Small amounts of referenced quotations are acceptable but these should be reserved for making some significant point. What constitutes a "large amount" of copying might depend on the assignment question but when more than about 10% of the whole assignment consists of word-for word copied passage(s) then:

1. If you have not used appropriate references then you have PLAGIARISED from the internet and can expect to be penalized. In cases where the copying looks to stem from lack of familiarity with report writing the lecturer will impose partial penalties: assignments which have x% unacknowledged internet passages will receive a reduction of x% of the awardable marks. HOWEVER: if an assignment contains blatant, deliberate plagiarism the students involved may receive zero marks for the assignment and be reported to the university's disciplinary committee.
2. Even if you do use appropriate references, the material is still not really your own, you didn't write it, copying and pasting isn't very difficult, you haven't really demonstrated that you have done much work, and you can't expect to get very

many marks for such an assignment. Assignments that have more than about 10% of copied material will receive the same pro-rata reduction in awardable marks as above.

FINAL EXAM (60% of overall assessment)

The final exam is of three hours and ten minutes duration. The final exam is designed to test you against the learning objectives of the unit. Students in ACCG835 for 2019 will be required to do a final exam that tests them on all the material covered during the session. The University Examination period in the Second Half Year 2019 is from 11-25 November.

To pass the unit students must achieve an **overall passing grade** in their overall assessment as per the University policy.

Details on the final exam will be provided to students towards the end of the session. **ACCG835 students must be available to sit the exam during the exam period. Please do not make arrangements to leave Sydney before you know the exam date.** Examinations cannot be given early to individual students. A final examination is included as an assessment task for this unit to provide assurance that:

- i) the product belongs to the student and
- ii) the student has attained the knowledge and skills tested in the exam.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.
<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration in accordance with the University rules. The University's policy on Special Consideration is available at:

<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>

Supplementary Examination is granted as a result of the Special Consideration Policy the examination will be scheduled after the conclusion of the official examination period.

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.htm>

Student workload on tasks

An estimate of the time spent by students on unit tasks is as follows:

Tasks	
1. Weekly assignments including in-class tests	66 hours
2. Face-to-face teaching	39 hours
3. Group Research Report	20 hours
4. Final Examination preparation	25 hours
Total	150 hours

GRADES

Macquarie University uses the following grades in coursework units of study:

HD –High Distinction

D – Distinction

CR – Credit

P – Pass

F – Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

<http://www.mq.edu.au/policy/docs/grading/policy.html>

All final grades in the Department of Accounting and Corporate Governance are determined by a grading committee and are not the sole responsibility of the Unit Coordinator.

GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

http://www.businessandeconomics.mq.edu.au/new_and_current_students/undergraduate/how_to_grade_appeals

SPECIAL CONSIDERATION POLICY

The University is committed to equity and fairness in all aspects of its learning and teaching. It recognises that students may experience events beyond their control that adversely affect their academic performance in assessment activities. The only exception to not sitting an examination or in-class test at the designated time is because of documented illness or unavoidable disruption. In these circumstances you

may wish to consider applying for special consideration in accordance with the University rules. The University's policy on Special Consideration is available at:

<https://staff.mq.edu.au/work/strategy-planning-and-governance/university-policies-and-procedures/policies/special-consideration>

Unit policy regarding illness and supplementary exams

Supplementary exams are not automatically granted: they depend on the nature of any illness or other circumstances. They may not be granted when coursework results are unsatisfactory.

If a Supplementary Examination is granted as a result of the Special Consideration Policy the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of the similar format as the final examination.

What is satisfactory coursework?

To have satisfactory coursework in this unit you must have passed (obtained 50% or more) in the aggregate marks of your in-class tests and research report.

SUMMARY OF ACCG 835 PROGRAM: SESSION 2 - 2019

Week	Commencing	Topic
1	July 29	Introduction to international accounting and research methods.
2	August 5	The concept of culture and its relevance to international accounting diversity.
3	August 12	Ethical behaviour in accounting.
4	August 19	Management planning and control (In class test).
5	August 26	Management planning and control in an international context: performance evaluation Case study - Del Norte Paper Company (A).
6	September 2	External reporting in an international context: similarities and differences.
7	September 9	External reporting in an international context: preparing and adjusting financial statements for international accounting standards: Kookaburra Pty Limited case study (In class test).
	September 16th to September 29th: MID-SESSION BREAK (2 Weeks Break)	
8	September 30	Basic data collection, analysis and interpretation of results.
9	October 7	Corporate reporting regulation: understanding differences — USA.
10	October 14	Corporate reporting regulation: understanding differences — Japan and China.
11	October 21	Corporate reporting regulation: understanding differences — The Netherlands, France and Germany.
12	October 28	International convergence of accounting: historical background, benefits and problems, global players, recent developments and controversies.
13	November 4	Week 13 is a revision week

WEEK 1

Introduction, distribution of unit material and group formation

The lecturers will introduce the course, distribute material and hold a discussion about the unit outline and the assessment. A brief introduction to international accounting and research methods will be provided.

The main remaining activity will be to discuss the **group assignment** and talk about the formation of student work groups for the purposes of the assignment and presentation (Weeks 9-12). Students will collaborate within each group to produce the assignment.

The **group assignment** (Weeks 9-12) is part of the method of continuous assessment used in this unit (worth 20% of overall assessment). For this assignment groups will have a **strict maximum of five students**. It is anticipated that most groups will have four to five members. A group with less than four members will require special permission of the lecturer and there would need to be a good reason. The allocation of topics for this assignment requires a formal notification of group membership and request for topic preferences, which will be done in week 5.

The advantages of group assignments are many. Group work gives the student an opportunity to meet others in both a study and social context, it allows for diversification of ideas and division of labour, it allows for problems to be discussed and resolved, and it provides students with a safety net of their own colleagues.

Towards the end of class there will be an opportunity for students to meet each other and talk among themselves about possible group membership. The actual formation of the groups is done by students themselves.

Required Reading

- Nair, R. D. and W. G. Frank, 1980, "The Impact of Disclosure and Measurement Practices on International Accounting Classifications", *The Accounting Review*, 55(3), pp. 426-450. [available on e-reserve]

Additional Reading

- Chand, P., R. Day and C. Patel, 2008, "Factors Causing Differences in the Financial Reporting Practices in Selected South Pacific Countries in the Post-Convergence Period", *Asian Academy of Management Accounting Journal*, 13(2), pp. 111-129. [available on e-reserve]

Requirements for students – Required Readings

The selected academic articles provide you an opportunity to critically explore and evaluate the state of contemporary and professional research in the area of international accounting. It will also enable you to understand and apply commonly used statistical techniques for data collection and analysis, including hypothesis testing and interpreting the results of data analysis. Students are expected to complete the required readings before coming to class and be prepared to answer questions and participate in class discussions related to the relevant article.

The following questions must be answered for class discussion:

1. What motivated the author(s) to conduct this study?
2. What were the main hypothesis/research questions of the study?
3. What were the commonly used statistical techniques for data collection and analysis?
4. What are the important findings of this study?
5. Critically evaluate the findings of this study?
6. What did you find difficult to understand?
7. What are the important conclusions/implications of this study?
8. Suggest two ways by which the article can be improved?
9. How are the findings of the study relevant to the topic(s) covered in ACCG835?

WEEK 2

The concept of culture and its relevance to international accounting diversity

Required Readings

- Hofstede, G. and G. Hofstede, 2005, *Culture and Organizations: Software of the Mind*, McGraw Hill, Chapter 1, pp. 1-36. [available on e-reserve]
- Textbook, Roberts chapter 7.

Additional Reading

- Hofstede, G., 1983, "The Cultural Relativity of Organizational Practices and Theories", *Journal of International Business Studies*, Fall, pp. 75-89. [available on e-reserve]

Lecture guide:

The lecturer will present a discussion that includes the following major topics:

- Introduction to the works of Geert Hofstede, social theorist.
- National culture differences.
- Hofstede's dimensions: individualism-collectivism, power distance, uncertainty avoidance, masculinity-femininity, and long-term/short-term orientation.
- Independent and interdependent construal of self.
- Relevance of cultural theories for international accounting studies.
- Culture and accounting values.

Requirements for students

Students are required to read the set material as outlined above before coming to class and be prepared to answer questions and participate in class discussions related to the topic being covered. The lecturer encourages students to participate in discussion of any of the topics during the presentation.

Prior to the class students are required to prepare answers to the following questions and be prepared to discuss their answers in class.

1. How does Hofstede define and describe culture? Is his concept of culture consistent with the way you think of culture?
2. Discuss at least two limitations of using Hofstede's five dimensional culture model in international accounting research.

WEEK 3

Ethical Behavior in Accounting

Required Readings

- International Federation of Accountants, 2012, "Code of Ethics for Professional Accountants", International Ethics Standards Board for Accountants. ISBN 978-1-60815-124-0 [available on e-reserve] also free to download (161 pages) at <http://web.ifac.org/publications/international-ethics-standards-board-for-accountants>
- Textbook, Stanwick chapter 9.

Additional Reading

- Dellaportas, S., Gibson, K., Alagiah, R., Hutchinson, M., Leung, P. and Van Homrigh, D., 2005, "Ethical Decision Making", Chapter 4 in *Ethics, Governance and Accountability: A Professional Perspective*, John Wiley & Sons Australia Ltd: Queensland, pp.87-114. [available on e-reserve]

Lecture guide

The lecturer will present a discussion on the fundamental principles underlying ethical behaviour in accounting and methods of creative accounting.

Requirements for students

Read the set material before coming to class. The lecturer encourages students to participate in discussion of any of the topics during the presentation.

Questions to guide your reading and for class discussion:

1. Why do you think it is important that there should be a formal code of conduct guiding accounting behaviour?
2. In terms of interpreting accounting and auditing standards, what is the meaning of the term "substance-over form" approach?
3. Why is it important to understand cultural influences on judgments of professional accountants?
4. Is creative accounting illegal, and why is it difficult to restrict creative accounting?

WEEK 4

Management planning and control

Required Readings

- Cooper, D. J. and M. Ezzamel, 2013, "Globalization Discourses and Performance Measurement Systems in a Multinational Firm", 38(4), pp. 288-313. [available on e-reserve]
- Textbook, Choi chapters 10 and 12.

Additional Reading

- Cruz, I., R. W. Scapens and M. Major, 2011, "The Localisation of a Global Management Control System", *Accounting, Organizations and Society*, 36, pp. 412-427. [available on e-reserve]

Lecture guide

The lecturer will present a discussion on performance evaluation topics and transfer pricing.

Requirements for students

Students are required to read the set material as outlined above before coming to class and be prepared to answer questions and participate in class discussions related to the topic being covered. The lecturer encourages students to participate in discussion of any of the topics during the presentation.

Students are required to **prepare answers to the following end of chapter exercises and be prepared to discuss these in class.**

- Chapter 10 Exercise 8; and
- Chapter 12 Exercises 6 and 8.

IN CLASS TEST

The in-class test will be held during class time this week. For details see the assessments section.

Presentation of group Research Reports during Weeks 9 to 12

Students to allocate themselves into groups by submitting form next week (Week 5).

Finalise group formation with classmates now.

Each student group must present a Research Report based on one of the topics that are scheduled, sometime during weeks 9 to 12. See the assignment instructions earlier in this outline. Students are asked to form themselves into groups of strict maximum **FIVE STUDENTS** by submitting a form to the lecturer during Week 5 (one form per group). The form should be downloaded from iLearn. Students are encouraged to form a group from diverse countries so that they can learn in a cross-cultural way and have new experiences.

The form will also record the preferences of the group for one of the Report topics. Each topic can only have a Report made by one group. The lecturer will allocate the topics and students will be notified of the allocation the same week when they are posted on iLearn. It is envisaged (though cannot be guaranteed) that each group will receive one of their four preferences. Not all groups will receive their first preference. Once allocated, change of topics is not permitted. A group must present the report on the scheduled day or forfeit the marks. Students are advised not to commence work on the Report until they are certain of their topic allocation.

Students should complete discussion about formation of the groups this week. Have your forms ready for collection in Week 5 classes.

WEEK 5

Management control in an international context: Transfer pricing Case study – Del Norte Paper Company (A).

Required Readings

- Textbook, Choi chapter 12.
- Case Study: Del Norte Paper Company (A).

Requirements for students

The case study will occupy the whole class time. Students should read the Del Norte case study (A), and **prepare answers to questions 1 and 2 below and be prepared to discuss these in class.** We will interactively discuss the issues, and optimal solutions will be decided.

Questions for Del Norte case study (A):

1. Calculate the contribution per ton of boxes that DNP-Italia earned on the African box sale. How much contribution would DNP-Deutschland have earned had they been awarded the bid at \$1,200 per ton and purchased their linerboard requirements from the U.S.? How much contribution would DNP Consolidated (the total company) have earned if DNP-Deutschland had been awarded the bid at \$1,200 per ton?
2. Based on a comparison of the contributions in the first question, what is the nature of the problem faced by Del Norte management in the U.S. headquarters?
3. How does Del Norte solve this problem in the domestic (U.S.) market? Evaluate the pros and cons of this solution.
4. Is a similar solution feasible at the international level? If not, why not? What characteristics does the problem possess at the international level that distinguish it from the domestic level? What are the solution options open to Del Norte in dealing with the problem at the international level and what are the potential consequences of each option?
 - **Source:** Barrett, M.E. & W.J. Bruns, Jr., *Case Problems in Management Accounting* (Homewood, Ill., Richard D. Irwin, Inc., 1982), pp. 223-226.

Students are also required to be prepared to discuss their answers to all questions in class.

Collection of forms for allocation of groups and topics for Research Report presentations during weeks 9 to 12.

WEEK 6

External Reporting in an International Context: Differences and similarities

Required Reading

- Textbook, Choi chapter 2 and Nobes chapter 2.

Lecture guide

In this week we will briefly consider why we observe so many similarities in accounting practices. We will then turn our attention to the differences. We will look at some examples of how different accounting methods can be used to record the same underlying economic transaction. We will also observe the impact these different accounting methods have on the profit and loss statement and balance sheet, and describe their impact in terms of the Gray's accounting values discussed in the textbook.

Requirements for students

Please complete the following questions from the readings above for discussion in class.

1. Are national differences in accounting practices better explained by culture or by economic and legal factors? Why? (source Choi chapter 2)
2. What is the difference between a judgemental and an empirical classification of accounting? (source Choi chapter 2)
3. Why is it difficult to establish a causal relationship between specific external factors and international differences in accounting? Discuss the methodological problems in identifying possible causes. (source Nobes chapter 2)
4. Are the international differences in the formats of financial statements a major obstacle to comparing the statements? (source Nobes chapter 2)

WEEK 7

External reporting in an international context: Preparing and adjusting financial statements for international accounting standards: Kookaburra Pty Limited case study

Required Readings

- Textbook, Nobes chapter 6.
- Kookaburra Pty Limited case study.

Requirements for students

The case study will occupy the whole class time. This week's tasks involve analysis of accounting standards, computation with numerical data, double entry bookkeeping and preparation of accounts including profit and loss and balance sheet. These tasks have several purposes:

1. Students can re-familiarize themselves with accounting principles and the mechanics of financial statements. This is a vital prerequisite to the understanding of comparative international financial accounting.
2. Kookaburra is an introduction to the nature of International Accounting Standards, which are becoming increasingly important in world accounting.

Complete Part A of the case study prior to class. We will discuss Part A in the first section of the class, and then Part B and C will be completed interactively in the remainder of the class. Note that a question similar to some of the Kookaburra material will appear in the exam.

IN CLASS TEST

The in-class test will be held during class time this week. For details see the assessments section.

WEEK 8

Basic data collection, analysis and interpretation of results.

Required Readings

TBA

Additional Reading

TBA

WEEK 9

Corporate reporting regulation: Understanding differences — USA.

Required Readings

- KPMG, 2005, "Sarbanes-Oxley Section 404: Summary Key Points from Submissions to SEC", Available at: http://www.kpmg.com.cn/en/virtual_library/Risk_advisory_services/SarbanesOxley_SEC.pdf [available on e-reserve]
- Textbook, Choi chapter 4.

Additional Reading

- FASB, 2012, "Summary of Statement No. 157", Available at: <http://www.fasb.org/st/summary/stsum157.shtml> [available on e-reserve]

Lecture guide

The purpose of weeks 9, 10 and 11 is to consider the main features of corporate reporting regulation, and accounting and disclosure practices, in a number of different countries. The lecturer will begin the class with a demonstration of how the Gray model can predict what kind of accounting we would expect to find in the USA, based on that country's cultural indices developed by Hofstede. Following this, will be a discussion on the reality of US economy, business history, institutions, politics and accounting. We will use the same approach for the other country studies.

Requirements for students

Please complete the following questions from the readings above. This will help prepare you to discuss issues in class:

Case 4-1 Standing on Principles – questions 1-4 of the case (page 261 of textbook)

Research Report topics for presentation during Week 9 (USA):

Topic 1

Obtain information about some recent corporate collapses in the U.S. (other than Enron and Worldcom). To what extent is it suggested that these collapses were the result of defective accounting practices? What were the other causes?

Topic 2

There is a school of thought suggesting that accounting standards played a significant role in causing or exacerbating the global financial crisis of 2008-9.

Evaluate this proposition with relevant evidence to support or reject it.

Topic 3

Describe and give examples of the extent of accounting convergence between the US FASB and IASB since 2002. What are some of the main reasons for the rift between these two major accounting regulators in more recent years? Do you think US will fully converge with IFRS in future? Why or why not?

WEEK 10

Corporate reporting regulation: Understanding differences — Japan and China.

Required Readings

- Tsunogaya, N. and P. Chand, 2012, "The Complex Equilibrium Paths towards International Financial Reporting Standards (IFRS) and the Anglo-American Model: The Case of Japan", *The Japanese Accounting Review*, 2, pp. 117-137. [available on e-reserve]
- Textbook, Choi chapter 4.

Additional Reading

- Ding, Y. and X. Su, 2008, "Implementation of IFRS in a Regulated Market", *Journal of Accounting and Public Policy*, 27, pp. 474–479. [available on e-reserve]

Lecture guide

The lecturer will begin the class with a discussion on Japanese accounting, using the same theory v reality method introduced for the USA class. The lecturer will then outline the main features of Chinese corporate governance.

Requirements for students

Please complete the following questions from the readings above for discussion in class.

1. Case 4-2 Casino Capital – questions 1-4 of the case (Textbook, p. 262)

Research Report topics for presentation during Week 10 (Japan and China)

Topic 4

Obtain information on one Japanese Zaibatsu that has survived to be a Keiretsu in 2011. Trace its corporate history especially in terms of the Japanese preoccupation with secrecy and conservatism. Are these factors still evident in the company's reports? To what extent has the company been able to resist recent pressures to provide more open information and accounts at "fair value"?

Topic 5

Discuss the Confucian origins of Chinese and Japanese business and accounting. In view of recent events (i.e. post-2005) in accounting regulation and corporate governance, which country, if either, is drifting further from its Confucian origins?

Topic 6

How closely do the Chinese accounting standards resemble IFRS? What problems or issues experienced by the Chinese authorities have led them to make some amendments to the IFRS when adopting them?

WEEK 11

Corporate reporting regulation: Understanding differences — France, Germany, Netherlands

Required Readings

- IFRS Foundation, 2019, "IFRS Application Around the World – Jurisdictional Profile: European Union", Available at: <https://www.ifrs.org/-/media/feature/around-the-world/jurisdiction-profiles/european-union-ifrs-profile.pdf> [available on e-reserve]
- Textbook, Choi chapter 3.

Additional Reading

- Hellmann, A., H. Perera and C. Patel, 2010, "Contextual issues of the Convergence of International Financial Reporting Standards: The Case of Germany", *Advances in Accounting, incorporating Advances in International Accounting*, 26, pp. 108–116. [available on e-reserve]

Lecture guide

The lecturer will begin the class with a discussion on France, Germany, Netherlands. The Research Report presentations will occupy the second part of the class.

Requirements for students

Please complete the following questions from the readings above for discussion in class.

1. Case 3-1 Old Habits Die Hard – questions 1-4 of the case (Textbook, p. 297)

Research Report topics for presentation during Week 11 (France, Germany, Netherlands)

Topic 7

Evaluate the role the European Union (being a supranational body), is playing in the international accounting convergence process, with respect to the formal procedures and institutions it has in place, and the role they play. How effective do you think the EU is speaking with one voice in accounting, given that it represents 27 different member states with unique cultural, social and economic systems.

Topic 8

Present the corporate history of one major German or French listed company that has existed since the year 1900. Show how changes in the appearance of the company's financial reports reflect changes in economic, social and political demands and developments during one hundred years. Your report should also include a comparison of the company's financial position and performance based on German or French accounting standards and IFRS.

Topic 9

Trace the influence of Dutch accounting to a Dutch colonial (or former colonial) country. To what extent has that country moved away from Dutch accounting and why?

WEEK 12

International Convergence of Accounting: Historical background, benefits and problems, global players, recent developments

Required Readings

- IFRS Foundation, 2019, "IFRS Use Around the World", Available at: <http://www.ifrs.org/Use-around-the-world/Pages/Jurisdiction-profiles.aspx> [available on e-reserve]
- Textbook, Nobes chapter 4.

Additional Reading

- McGregor, W., 2012, "Personal Reflections on Ten Years of the IASB", *Australian Accounting Review*, 22(3), pp. 225-238. [available on e-reserve]

Lecture guide

We will consider the benefits, problems and issues associated with international accounting harmonization and convergence. Our discussion will be focused around the International Accounting Standards Board (IASB) and the many different groups that have an interest in its International Accounting Standards (IAS) and Financial Reporting Standards (IFRS). We will examine the politics associated with developing, implementing and evaluating IAS and IFRS. The objective here will be to gain an understanding of the pressures and events that have led to the contemporary role and status of the IASB.

Requirements for students

All students should also do the required reading before class and be prepared to answer questions and participate in class discussions related to the topic being covered. Class discussion topic:

Some researchers have claimed that International Accounting Standards Board is more involved in politics associated with standard setting rather than focusing on developing relevant and reliable standards. Discuss whether you agree or disagree with this statement.

Research Report topics for presentation during Week 12

Topic 10

How representative and relevant do you think the IASB is today? In answering this question, draw on the composition and governance of the IASB in the context of recent (post-2005) controversies surrounding changes to its accounting standards.

Topic 11

Discuss recent harmonization problems in a South American country.

Topic 12

Discuss recent harmonization problems in an Asian country (not China or Japan).