



## UQ Business School

HEAD OF SCHOOL

Professor Tim Brailsford

The University of Queensland

Brisbane Qld 4072 Australia

Telephone (07) 3365 6283

(International +617 3365 6283)

Facsimilie (07) 3365 6988

Email enquiries@business.uq.edu.au

Internet www.business.uq.edu.au

CRICOS No. 00025B

## BSAC7104 – Corporate Accounting

### St Lucia Campus Semester 1, 2004

<b>Units:</b>	2
<b>Prerequisites:</b>	BSAC7101 or BSAC7020 or CO811 or COMM7301
<b>Incompatibles:</b>	BSAC3103 or CO337 or CO828 or COMM3305 or COMM7304
<b>Corequisites:</b>	Nil
<b>Assumed Background:</b>	Introductory Accounting

### Contact Information

Description	Name	Office	Phone	Email
Course co-ordinator	Dr J. Walker	39 Room 436	3365 6597	j.walker@business.uq.edu.au
Lecturer	Dr J. Walker	39 Room 436	3365 6597	j.walker@business.uq.edu.au

### Important Dates (2nd Semester 2004):

Final day for cancellation without penalty for academic exclusion and HECS/PELS liability purposes and refund of Student Services Charge and tuition and other fees is 31 August 2004. Late enrolments received after 6 August but before 31 August will not be processed unless accompanied by proof of payment of \$50 administrative charge. Late enrolments received after 31 August will not be processed. A student is not regarded as enrolled unless fees and charges have been paid. All enquiries in person should be directed in the first instance to Student Centres.

## 1.0 OVERVIEW OF THIS COURSE

Before attempting this course, students are advised that it is important to complete the appropriate prerequisite course(s) listed on the front of this course profile. No responsibility will be accepted by the School of Business, the Faculty of Business, Economics and Law: or the University of Queensland for poor student performance occurring in courses where the appropriate prerequisite(s) has/have not been completed, for any reason whatsoever.

This course is concerned with advanced issues in financial reporting by public companies, the shares of which are listed on the Australian Stock Exchange. The focus of the course is on accounting for corporate groups. The course is intended for people who will be involved in the preparation and/or use of company financial statements whether as accountants, auditors, financial analysts or other financial statement users. Problems of accounting for groups of companies and other reporting

entities are considered including: the process of consolidating parent and controlled entities, accounting for interests in associated companies (equity accounting), accounting for contracts generally referred to as joint ventures, translating accounts for foreign operations and problems with accounting for acquisition of assets (including other companies).

## 2.0 OBJECTIVES

Students who successfully complete this course will have acquired basic generic and cognitive skills in accounting for corporate combinations, in particular, the ability to:

- identify and communicate the concepts and principles which underlie the current accounting requirements for accounting for various types of corporate combinations;
- apply the prescribed accounting requirements applicable to corporation combinations;
- analyse and interpret financial reports and associated supplementary disclosures produced by corporate groups;
- distinguish between alternative accounting techniques and debate issues relating to their application; and
- identify and describe factors which are likely to influence firms' choices among alternative accounting techniques (where alternatives are available).

## 3.0 GRADUATE ATTRIBUTES

The University of Queensland has proposed that all its graduates will have in-depth knowledge of the field(s) studied. Furthermore, each graduate will display effective communication skills, independence and creativity, critical judgement, and ethical and social understanding. These attributes reflect the broad nature of a graduate's required skill set. The skill set builds upon the culture of inquiry and innovation that are part of a research university as well as embedding the need to exhibit effective interpersonal skills and a broad understanding of social and ethical responsibilities. The School of Business is currently in the process of ensuring that all of our programs allow students to develop these attributes.

## 4.0 TEACHING AND LEARNING MODES

### 4.1 Lecture/Whole Group Sessions

#### TIME AND LOCATIONS:

Tuesday 1pm to 4pm – Building 43 (Frank White Building) Room 102

Wednesday 6pm to 9pm – Building 24 (Social Sciences Building) Room S304

This course will consist of a 3 hour lecture during each of the scheduled weeks. There are 13 lecture sessions commencing in Teaching Week 1.

#### PROGRAM SCHEDULE

Teaching week	Date	Topic	Readings
1	1 March	Introduction to consolidation	Eddey et al. Chapters 1 and 2 AACSB 1024
2	8 March	Fair value adjustments and tax effects	Eddey et al. Chapter 3
3	15 March	Outside equity interests	Eddey et al. Chapter 4
4	22 March	Intra-economic entity sales of assets	Eddey et al. Chapter 5
5	29 March	Indirect ownership interests	Eddey et al. Chapter 6
6	5 April	Changes to the economic entity	Eddey et al. Chapter 7
7	19 April	Mid-semester test	–
8	Tue 27 April	No lectures this week Tues 27 April is a Monday timetable	–
9	Tue 4 May	Accounting for joint ventures	Eddey et al. Chapter 11, AASB 1006
10	10 May	Translation and consolidation of subsidiary financial statements	Eddey et al. Chapter 10, AASB 1012

11	17 May	Segment reporting	Eddey et al. Chapter 12, AASB 1005
12	24 May	Divestment, insolvency and liquidation	Eddey, 4th edition, chapter 11 (shrink–wrapped chapter)
13	31 May	Course review	–

## Important Dates

Common important dates for Semester 2, 2004.

Monday 26 July 2004	Classes begin
Wednesday 11 August 2004	Public Holiday (Exhibition Day)
Monday 27 Sept – Saturday 2 Oct 2004	Mid–Semester Break
Saturday 30 October 2004	Classes end
Monday 8 Nov – Saturday 20 Nov 2004	Examination period

## 4.2 Tutorial/Small Group Sessions

This course requires an understanding of the technical issues and procedures associated with the preparation of corporate accounts. To develop the necessary practical skills, students should complete the questions and exercises set out below. In most weeks, at least one of the practical exercises will be reviewed during the lecture. The remaining questions/exercises form the basis for a one hour tutorial offered for BSAC7104 students. Please note that the tutorials are not regarded as compulsory and you may attend as many or as few as meets your needs. Solutions to the problems will be posted on the course website in the week after the relevant lecture.

### Tutorial Sessions are as follows:

Monday 2–4pm – Michie Building (9)–642

Monday 4–6pm – General Purpose North Building (39A)–201

### TUTORIAL SCHEDULE

Teaching week	Date	Topic	Activities
1	1 March	No tutorials this week	
2	8 March	Introduction to consolidation	Q1.4, 1.10, E2.3, 2.5
3	15 March	Fair value adjustments and tax effects	Q3.5, E3.1, 3.8, 3.10
4	22 March	Outside equity interests	Q4.1, 4.6, E4.4, 4.7
5	29 March	Intra–economic entity sales of assets	Q5.4, E5.5, 5.6, 5.8
6	5 April	Indirect ownership interests	Q6.3, 6.4, E6.2, 6.4, E6.8
7	19 April	No tutorials – mid–semester test week	–
8	Tues 27 April	No tutorials – Tuesday 27/4 is Monday timetable	–
9	Tue 4 May	Accounting for associates: the equity method	Q9.4, 9.5, E9.1, 9.8, 9.9
10	10 May	Accounting for joint ventures	Q11.1, 11.6, E11.3, 11.4, E11.10
11	17 May	Translation and consolidation of foreign subsidiary financial statements	Q10.3, E10.1, 10.5
12	24 May	Segment reporting	Q12.1, 12.5, 12.7, E12.3
13	31 May	Divestment, insolvency and liquidation	E11.2, 11.4, 11.5

### 4.3 Consultation

Teaching staff are there to assist you. All staff members have set consultation times during which you may see them without making an appointment. Consultation times for lectures and tutors are posted on the course website and on individual staff member's doors. Consultation outside of these times is by appointment only.

If you have questions or points that require clarification, you may visit during consultation times, phone, or email to discuss questions during the semester. If staff members are unavailable, leave a message with your name and telephone number or send them an email. Note that while staff will attempt to respond to email in a timely manner, a response in less than 3 working days during semester should not be expected.

### 4.4 Administration

All content related questions and specific questions re the administration of this course should, in the first instance be directed to the course coordinator and tutor/s involved in delivery of the course. Content matters that cannot be dealt with by the lecturer should then be referred to the course co-ordinator. General administrative questions (for example centrally timetabled exams, room venues, etc) may be addressed to the UQ Business School Office on Level 2 of the Colin Clark Building, St Lucia Campus.

## 5.0 RESOURCES REQUIRED AND AVAILABLE

### 5.1 Prescribed textbooks

Eddey, P, N. Arthur and J. Knapp, 2001, Accounting for Corporate Combinations and Associations, 5th Edition, Prentice Hall. (Shrink wrapped with Chapter 11, Divestment, Insolvency and Liquidation, from Eddey, P, 1995, Accounting for Corporate Combinations and Associations, Prentice Hall).

Accounting Handbook (Prentice Hall Australia, latest edition)

### 5.2 Other references

- Australian Corporations and Securities Legislation.
- G. Whittred, I. Zimmer, and S. Taylor, 2000. Financial Accounting: Incentive Effects and Economic Consequences, 5th Edition, Harcourt Brace and Company.
- Jubb, P, I. Langfield-Smith and S. Haswell, 2002, Company Accounting, Nelson Thomson Learning.
- Leo, K.J., and J.R. Hoggett, 2001. Company Accounting in Australia, 5th Edition, John Wiley and Sons Ltd.
- Gaffikin, M., Dagwell, R., Wines, G., Smith, R., and J. Walker, 1998. Corporate Accounting in Australia, 1st Edition, UNSW Press.

### INTERNET RESOURCES

#### Annual Reports and Financial Information of Companies

[Coles-Myer Ltd.](#)

[Telstra Corporation Ltd](#)

[Western Mining Corporation Ltd](#)

[Comalco Limited](#)

[Brambles Limited](#)

#### Financial and Accounting Press

[The Australian Financial Review](#)

[Australian CPA Magazine](#)

#### Professional and Regulatory Bodies

[The Australian Stock Exchange](#)

[The Institute of Chartered Accountants in Australia](#)

[CPA Australia](#)

[The Australian Securities and Investment Commission](#)

## 6.0 ASSESSMENT

### 6.1 Policies

The school abides by the policies set forth by the University. These policies are listed in the Handbook of University Policies and Procedures. These policies may be viewed on the University of Queensland website. It is each student's responsibility to attend classes and consult designated notice boards and websites for correct and up-to-date information regarding the course, including examination times. Relying on fellow students to pass on information may result in incorrect information for which the University will not be held responsible.

### 6.2 Assessment details

A student's final grade in the course will be determined by the following assessment. Section 6.3 contains details of the process of awarding the final grades.

Assessment Item	Individual/Group	Form of Assessment	Weighting	Date or Due date	Course Objective Tested
1	Individual	Mid-semester examination: 1 hour plus 10 minutes perusal, closed book exam	40%	In lectures on either 20 or 21 April 2004.	Understanding of the process of consolidated financial reporting as presented in lectures 1-5.
2	Individual	Final exam	60%	TBA " during usual June examination period	Understanding of the issues in group financial reporting taught in lectures 6-13.

#### 6.2.1 Midsemester exam

The mid-semester exam will run for one hour (plus ten minutes perusal) and will cover lecture topics 1-5 inclusive. It will contain both theory and practical questions similar to the tutorial exercises assigned for topics 1-5. The mid-semester exam will be held during the usual lecture times at your usual lecture venue. Identification of students will be checked before you are allowed to enter the lecture theatre for the mid-semester examination so it is essential for students to register for a lecture time and to attend that lecture on the day of the examination.

**Midsemester Exams** are the responsibility of the Course Coordinator. The Faculty has no jurisdiction over midsemester examinations, hence all correspondence and documentation needs to be forwarded directly to the course coordinator. A student who fails to sit the midsemester exam at the scheduled time will be awarded a mark of zero, unless the course coordinator is supplied with documentation satisfactorily explaining the student's absence either prior to, or no later than two working days after, the midsemester examination. In such cases, the Course Coordinator (and not the student) has three options – (1) award a mark of zero if the evidence is judged to be insufficient or unsatisfactory; (2) hold an oral special examination; or (3) reweight other assessment items such as the final examination. There are **no written special midsemester examinations** in the UQ Business School.

**Note: a reweighted final examination is not an option for BSAC7104.**

### 6.3 Allocation of Grades

Grades will be allocated according to University-wide standards of criterion Based Assessment. The following generic descriptors provide a university-wide point of reference for these standards (Note: Each passing grade subsumes and goes beyond the grades lower than it.)

Grade	Description of Grade	Cut Off % Range	Cumulative Weighted Grade
<b>1 (Serious Fail)</b>	Fails to satisfy most or all of the basic requirements of the course.	0 – 29	0 – 1.99
<b>2 (Fail)</b>	Fails to satisfy some of the basic requirements of the course.	30 – 45	2.0 – 3.74
<b>3 (Pass Conceded)</b>	Falls short of satisfying all basic requirements for Pass but can be granted concession for deficiencies through : · being close to satisfactory overall, or · having compensating strengths in some aspects of the course, or · having compensating strengths in other courses, or · other mitigating considerations.	46 – 49	3.75 – 3.99
<b>4 (Pass)</b>	Satisfies all of the basic learning requirements for the course, such as knowledge of fundamental concepts and performance of basic skills ; demonstrates sufficient quality of performance to be considered satisfactory or adequate or competent or capable in the course.	50 – 64	4.0 – 4.79
<b>5 (Credit)</b>	Demonstrates ability to use and apply fundamental concepts and skills of the course, going beyond mere replication of content knowledge or skill to show understanding of key ideas, awareness of their relevance, some use of analytical skills, and some originality or insight.	65 – 74	4.8 – 5.79
<b>6 (Distinction)</b>	Demonstrates awareness and understanding of deeper and subtler aspects of the course, such as ability to identify and debate critical issues or problems, ability to solve non–routine problems, ability to adapt and apply ideas to new situations, and ability to invent and evaluate new ideas.	75 – 84	5.8 – 6.19
<b>7 (High Distinction)</b>	Demonstrates imagination, originality or flair, based on proficiency in all the learning objectives for the course ; work is interesting or surprising or exciting or challenging or erudite.	85+	6.2 – 7.0

Note: To be awarded a passing grade or higher, a student must achieve an overall passing grade and demonstrate competence in their aggregated individually completed assessment items.

## 6.4 Student Access to Feedback on Assessment

### Policy on Consultation for Progressive Assessment

Whilst staff members are genuinely sympathetic to assessment grievances, individual reviews of progressive assessment is not feasible on a large scale. Accordingly, following the release of marks, consultation will be strictly limited as follows:

- 1 Students will be seen only in designated consultation hours, or by appointment.
- 2 No consultation will occur on the day of the release of marks.
- 3 The consultation period will be limited.
- 4 Priority at all times will be given to those students who did not achieve the pass mark for that piece of assessment.

## 6.5 Appeal Against Results

Should a student feel that the mark allocated does not reflect the standard of her/his work, then she/he is encouraged to discuss the matter with the course co–ordinator. In the event of course–based disputes not being resolved with the course co–ordinator, the student may appeal to the relevant Head of School and then the Director of Studies of the BEL Faculty.

## **7.0 USE OF DICTIONARIES AT EXAMINATIONS**

Students may request the use of dictionaries supplied by the Examinations Section.

Procedures have also been developed to assist students who may need to access a bilingual dictionary during examinations. Contact examinations for details.

## **8.0 STUDENT MISCONDUCT AND PLAGIARISM**

Plagiarism is the action or practice of taking and using as one's own, the thoughts or writings of another without acknowledgment. Reproduction and presentation of the work of others without acknowledgment is the attempt by an individual to receive credit for the ideas or felicitous language of others.

Students are encouraged to discuss together issues that arise in this course, however, the written work you submit must be entirely your own. Similarly, you must not help another student by lending assignments or parts thereof, including past work. Collaborating with another student about assessable work and representing that as individual work is regarded as an act of cheating. Under the relevant University Statute, plagiarism and cheating constitute misconduct.

The School policy is to treat all suspected cases of misconduct as serious. In such cases, students will be charged under the Student Discipline and Misconduct Statute and appropriate mechanisms for hearing the charge will be instigated. Students found guilty will receive a penalty.

Please do not plagiarise. Plagiarism is an injustice to your colleagues within the class. Any cases of plagiarism detected in a student's work will be prosecuted fully under the University rules. If you are unsure about the nature of or any issues in relation to plagiarism, please discuss the matter with your supervisor, course coordinator, or tutor.

## **9.0 SUPPORT FOR STUDENTS WITH A DISABILITY**

Any student with a disability who may require alternative academic arrangements in the course/program is encouraged to seek advice at the commencement of the semester from a Disability Adviser at Student Support Services.

## **10.0 COMPUTING FACILITIES**

Courses offered by the School of Business extensively utilise the internet and other computer facilities. Students should be familiar with these resources prior to undertaking a course. Computing help and training will be available at each campus and is usually free to UQ students. AskIT, available through the University of Queensland Library, offers computing help and training free to UQ students. Contact the AskIT Desk, Level 2 Duhig Bldg at St Lucia, or Building 8 at Ipswich, or lower level of Gatton library.