Subject Outline

ACCY974
 ACCOUNTING REGULATION
 Wollongong

6 Credit Points
 Spring Session 2005

Subject Co-ordinator: Sandra Chapple
Building 40 Room 301
Phone: 4221 4006
Email: schapple@uow.edu.au

School of Accounting and Finance
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Subject details

Description
An in-depth study of the regulation of accounting practice and procedures, the accounting profession, and financial reporting in both the private and public sectors. This will include an examination of:

- theories of regulation and of the public interest;
- the role of government, the profession and other interests in the regulatory process,
- consequences, efficiency and effectiveness of accounting regulation (including regulatory failure);
- the impact of accounting theory on standard setting;
- an historical overview of corporate regulation;
- the internationalisation of accounting regulation.

The focus will be on the Australian financial reporting framework, however students are encouraged to consider the regulatory regimes of other countries and to adopt a multi-disciplinary approach to the examination of relevant theories.

Objectives
Completion of this subject should enable students to:

1. Appraise the historical arguments for the imposition of regulation.
2. Identify the various theories of regulation and evaluate their strengths and weaknesses.
3. Discuss and illustrate the impact of the various theories of regulation on the legislative and standard setting processes.
4. Critically evaluate the various interests and conflicts of interest in the formulation of regulatory policy.
5. Critically evaluate the effectiveness of the current regulatory framework in Australia.
Method of delivery

The subject will be delivered by way of one 2 hour lecture /tutorial per week. There are no separate tutorial classes. Lecture notes will be provided on WebCT and students are expected to review these prior to attending the class. Students are also expected to prepare answers to weekly questions and to actively participate in discussion and group activities.

WebCT

The website for this subject will include:

- Lecture Notes, Recommended Readings, E-Readings, Weekly Questions and other information as necessary

It is the student’s responsibility to access this site on a regular basis. Students should also be advised to regularly review their UOW email account for any correspondence from the subject co-ordinator.

Study time

According to Course Rule 003, Interpretation Point 2(t), each credit point for a single session subject has a value of about 2 hours per week. As this is a 6 credit point subject, students should devote approximately 12 hours per week in attendance at and preparation for weekly classes and preparation of nominated assessment tasks.

Lecture / tutorial time

Tuesday 9.30pm to 11.30pm

Room 19.1084
Readings

There are no specific texts prescribed for this subject. However, the following books are available in the library (some in closed reserve) and may be of use in preparation for weekly questions and assessment tasks:


338.710994/1 Sykes, T. [1994] *The Bold Riders: behind Australia’s corporate collapses*, Allen Unwin, St Leonards, NSW


338.994/38 Tomasic, R. ed. [1984] *Business Regulation in Australia*, CCH Australia, North Ryde, NSW

A more comprehensive list of readings will also be provided on WebCT. Wide reading is necessary for the successful completion of this subject, and students are expected to select relevant material from the readings and other sources in preparing for weekly questions and assessment tasks.
Contacts

Subject Coordinator

Sandra Chapple
School of Accounting and Finance
Building No 40, Room No 301
Telephone 61 2 4221 4006
Email schapple@uow.edu.au

Consultation times

Monday 1.30pm to 2.30pm
Thursday 1.30pm to 2.30pm

Student administration

Telephone 61 2 4221 3938
Facsimile 61 2 4221 4322
Email studenq@uow.edu.au
Student OnLine Services http://www.uow.edu.au/student/sols

Library

Telephone 61 2 4221 3548
Web http://www-library.uow.edu.au
Assessment Guidelines

General Criteria

<table>
<thead>
<tr>
<th>Task</th>
<th>Weighting</th>
<th>Due Date</th>
<th>Return date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dialogue</td>
<td>20%</td>
<td>23/8/05</td>
<td>13/9/05</td>
</tr>
<tr>
<td>Essay</td>
<td>20%</td>
<td>20/9/05</td>
<td>11/10/05</td>
</tr>
<tr>
<td>Class Participation</td>
<td>10%</td>
<td>20/9/05</td>
<td>11/10/05</td>
</tr>
<tr>
<td>Exam</td>
<td>50%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

To pass this subject, students must:
- submit all outstanding work by 5.00pm on 21/10/05 (last day of teaching session)
- attend the final examination and obtain a mark of at least 50%
- obtain a mark of 50% overall

Performance grades

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HD</td>
<td>High Distinction</td>
<td>85–100%</td>
</tr>
<tr>
<td>D</td>
<td>Distinction</td>
<td>75–84%</td>
</tr>
<tr>
<td>C</td>
<td>Credit</td>
<td>65–74%</td>
</tr>
<tr>
<td>P</td>
<td>Pass</td>
<td>50–64%</td>
</tr>
<tr>
<td>F</td>
<td>Fail (unsatisfactory completion)</td>
<td>0–49%</td>
</tr>
</tbody>
</table>

Special Consideration

University policy requires students who, through serious illness or other circumstances beyond their control, are unable to attend an examination or meet any of the other course requirements, to submit medical or other documented evidence as soon as possible after the event to support their request for special consideration. This policy may be accessed at: http://www.uow.edu.au/handbook/courserules/specialconsideration/html

The evidence should be submitted to Student Inquiries Office. Students should make their request online using SOLS http://www.uow.edu.au/student/.
Supplementary examinations

Students should note that supplementary examinations are not an automatic entitlement on the submission of a request for special consideration. In cases where the decision is made to allow a supplementary examination, students will usually be required to take the examination at a date to be determined by the School within three weeks of the end of the formal examination period. Students will be notified of the exam at least seven days beforehand. It is every student’s responsibility that the University has a correct record of your current address.

Full details of the University’s policy regarding special consideration are available on the web at http://www.uow.edu.au/handbook/courserules/specialconsideration.html students should familiarise themselves with these policies.

Disability Policy

If a student with a disability requires reasonable accommodation in this subject, they are strongly advised to discuss the issues early in the session with one of the following people: the Disability Liaison Officer, Faculty Disability Adviser and/or the Subject Co-ordinator. Students with a disability should also register with the University of Wollongong Disabilities Unit. More details can be found on the web at http://www.uow.edu.au/student/services/disabl.html

Non Discriminatory Language

As part of its Equal Opportunity/Affirmative Action initiatives, the University of Wollongong endorses a policy of non-discriminatory language practice and presentation in all academic and administrative activities of the University. The policy is available at http://staff.uow.edu.au/eeo/nondiscrimlanguage.html

Receipt of Assessment Tasks

It is your responsibility to ensure that you have a receipt signed by your lecturer/tutor, acknowledging submission of written work.
Task 1: Dialogue

Due date: 23/8/05
Return date: 13/9/05
Weighting: 20%
Length: 1500 words

Topic

*Australian reporting entities are faced with an increasing volume and complexity of accounting and reporting regulation. This regulation is unnecessary, and accounting policy choice and the provision of information should be left to the market.*

Write a dialogue between two or more people, debating the above statement.

Requirements

This task may be done in groups of two or three people. Your dialogue should be written in plain English and must not include quotations from any source. However to develop your arguments you will need to research various academic and professional journals, or various forms of media (newspaper, business magazines). You should include a bibliography of research material prepared in accordance with the Harvard system (details available on the UOW library website [http://www.library.uow.edu.au/helptraining/guides/citing.html](http://www.library.uow.edu.au/helptraining/guides/citing.html)), listing the sources used (at least 6). Specific references in the body of your dialogue are not required.

Learning objectives

*This task is designed to develop your skills of analysis and critique, as well to encourage you to be concise and articulate in your written expression. The task should develop and refine those skills required in a group structure, as well as expose you to the benefits of the group dynamic. The task will also develop a greater understanding*
of contemporary issues in accounting regulation in its historical, political, social and economic context.

Assessment Criteria

The criteria listed below will be used to assess your work.

**Structure & Presentation**

To what extent did the structure and presentation of your dialogue enhance the logic and flow of your arguments?

**Content**

How relevant was the content of your dialogue in evaluating the concern raised by the authors'? Did you effectively interpret and communicate the views of the authors' and provide a contrary point of view?

How logical and coherent were the arguments you used to establish and support your conclusion?

**Style**

How did your writing style enhance the strength of your arguments? Was your work fluent and readable?

**Research**

To what extent does your work indicate a thorough research effort? Have you included a bibliography in the prescribed form?

Modified from Clanchy & Ballard (*Essay Writing for Students*, 1981)
Task 2: ESSAY

Due date: 20/9/05
Return date: 11/10/05
Weighting: 20%
Length: 2000 words

Essay Topic

“IASC (now IASB) standards will always be the result of a complex set of compromises between numerous jurisdictions, and may never be aimed specifically at Australia’s needs and circumstances” (Spencer, 1998, p21).

Discuss this statement.

Students may discuss this statement from a number of perspectives, such as

- the politicisation of the standard setting process
- the implications for Australian users, preparers and/or regulators
- the implications for the domestic context (economic, political, social and cultural)
- the fruition of the advocated benefits of harmonisation (as per AASB Policy Statement 4 International Convergence and Harmonisation Policy)

This list is not exhaustive and is intended as a guide only.

Requirements

Your essay should be in academically acceptable form including a synopsis and a list of references. Referencing should be in accordance with the Harvard style (refer UOW Library website http://www.library.uow.edu.au/helptraining/guides/citing.html) All electronic sources must be referenced in accordance with the guide to be found at http://www.library.uow.edu.au/helptraining/guides/citeelec.html. References to at least 8 academic journals should be evidenced.
Learning Objectives

The essay is designed to encourage evaluation of the current state of accounting regulation in Australia. It will require you to place contemporary issues in the historical and political context of accounting regulation in Australia, as well as link these issues to different theoretical perspectives.

A thorough understanding and appreciation of topics covered in weeks 2 to 9 is essential. The essay will provide a means of synthesising your knowledge and developing skills in critical thought and writing.

Assessment Criteria/Marking Guidelines

The following criteria will be used in assessing essays:

Synopsis

Clanchy & Ballard (Essay Writing for Students, 1981) recommend that the synopsis should cover:

1. The outline of your main arguments
2. The general conclusions you have reached.

The synopsis should be 5-10% of the length of the essay itself.

Structure & Presentation

To what extent did the structure and presentation of your essay enhance the logic, coherence and flow of your arguments?

Content

How relevant was the content of your essay in your answer to the question?

How logical and coherent were the arguments you used to establish and support your point of view?

Style

How did your writing style, eg. grammar, usage, language, sentence construction and length add to/detract from the flow of the essay? Any suggestions for improving the readability of you written work.

Referencing

Did your references support your arguments? Did you follow the prescribed method?
**Task 3: Class Participation**

- **Date:** Weeks 2 to 13
- **Weighting:** 10%

**Task details**

This requires students to research and prepare written answers to weekly questions, in addition to active participation in class discussion. A record will be maintained of student's completion of weekly questions.

**Task 4: Examination**

- **Date:** University examination period
- **Weighting:** 50%
- **Length:** 3 hours 15 minutes

**Examination details**

The final exam will comprise 4 essay style questions of equal value.
Submission Requirements

Submission

Assignment cover: You must complete and attach a School of Accounting and Finance Assessment Cover Sheet to the front of your assignment (available at the following web address: http://www.uow.edu.au/commerce/forms.html)

The declaration on this cover sheet must be signed.

All written work must be submitted to the subject coordinator, in person on the due date. The work will be returned to students on the dates advised during class times. Faxed, emailed or mailed written work will not be marked and will not be considered as having been submitted for purposes of completion of the subject.

Acknowledgment/Plagiarism

Plagiarism is not acceptable and may result in the imposition of severe penalties. The University provides clear guidelines on its attitude towards plagiarism and how to avoid unintentional plagiarism in the Postgraduate University Calendar, located on the web at http://www.uow.edu.au/handbook/courserules/plagiarism.html

Students are advised to read these carefully. If any doubts remain as to what constitutes plagiarism, students should discuss the matter with the subject co-ordinator.

Format

Written work should be typed using double-line spacing, using at least 12 point font and allowing a 5cm margin.

Extensions

Extensions may be granted if circumstances beyond the control of the student interfere with their ability to complete the task on time. These will only be granted by the subject co-ordinator and must be applied for before the due date.

Please Note: Extensions will not be granted after the due date.

Late submission

A penalty of 2 marks per day or part thereof will be applied to late submissions.
# SCHEDULE of TOPICS

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>19 July</td>
<td>Overview of subject</td>
</tr>
<tr>
<td>2</td>
<td>26 July</td>
<td>Introduction: Nature of Regulation</td>
</tr>
<tr>
<td>3</td>
<td>2 Aug</td>
<td>Theories of Regulation</td>
</tr>
<tr>
<td>4</td>
<td>9 Aug</td>
<td>NO CLASS THIS WEEK</td>
</tr>
<tr>
<td>5</td>
<td>16 Aug</td>
<td>The role of the government and profession in Accounting Regulation</td>
</tr>
<tr>
<td>6</td>
<td>23 Aug</td>
<td><strong>ASSESSMENT TASK 1 DUE</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Corporate Law Economic Reform Program (CLERP)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>International Financial Reporting Standards (IFRS)</td>
</tr>
<tr>
<td>7</td>
<td>30 Aug</td>
<td>CLERP and IFRS continued</td>
</tr>
<tr>
<td>8</td>
<td>6 Sept</td>
<td>Political Economy of Regulation</td>
</tr>
<tr>
<td>9</td>
<td>13 Sept</td>
<td>Regulatory Efficiency and Effectiveness</td>
</tr>
<tr>
<td>10</td>
<td>20 Oct</td>
<td><strong>ASSESSMENT TASK 2 DUE</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ethics and Professionalism</td>
</tr>
<tr>
<td></td>
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<td><strong>RECESS: 1 week, 24 September to 2 October.</strong></td>
</tr>
<tr>
<td>11</td>
<td>4 Oct</td>
<td>The Future of Accounting Regulation / New Disclosures</td>
</tr>
<tr>
<td>12</td>
<td>11 Oct</td>
<td>Financial Reporting in the Australian Public Sector</td>
</tr>
<tr>
<td>13</td>
<td>18 Oct</td>
<td>Summary and Exam Review</td>
</tr>
</tbody>
</table>
Disclaimer

The School attempts to ensure that the information herein is up to date at the time of production, however we reserve the right to amend without notice in response to changing circumstances.