Lecturer & Subject Co-ordinator:
Mr Ari Ariyadasa
Room 40.306
Tel.: (042) 21 3696 (Internal Extension 3696)

Co-Lecturer:
Ms Connie Spasich
Room 40.319
Tel.: (042) 21 3605 (Internal Extension 3605)

Teaching Team: (All offices in building 40)

<table>
<thead>
<tr>
<th>Room No</th>
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<tr>
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Consultation Times

Consultation times will be posted by individual lecturers and tutors on their office door during the first and second week of session.
## Timetable

### Lectures

<table>
<thead>
<tr>
<th>Day</th>
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### Workshops

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<td>11.30 - 12.30pm</td>
<td>67.101</td>
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**Note:** Students **must** attend the Workshop to which they have been allocated.

## Subject Description

ACCY 201 is a financial accounting subject which builds on the skills and concepts acquired in ACCY 202 and lays the foundation for topics to be covered in ACCY 302 Financial Accounting III. The subject covers the regulatory and institutional framework of external financial reporting including an examination of the political and economic considerations in the setting of accounting standards and concepts. These considerations will lead to further development of the notion, introduced in ACCY 202, of accounting as a socially constructed process. The subject also makes an in-depth analysis of the consolidation of the financial statements of holding companies and their subsidiaries.

## Subject Objectives

After having successfully completed this subject, students will be able to:

1. Describe the institutional framework for the development and setting of Australian Accounting standards and concepts.

2. Identify and explain the political and economic consequences of accounting standards and concepts and the events which gave rise to them in specific instances in particular, AASB 1012, 1018, 1016, 1017 1020, 1022, 1024 and SAC4.

3. Prepare and explain journal entries for implementing requirements of accounting standards referred to in objective 2.
Subject Objectives cont’d...

4. List the basic concepts of consolidation and explain the purposes and limitations of consolidated financial statements.

5. Calculate amounts and prepare journal entries for the following consolidation processes:
   a) purchase elimination
   b) goodwill/discount on consolidation
   c) Intra-group transactions, including tax effects where applicable
   d) Unrealised profits on (c)
   e) pre- and post-acquisition dividends
   f) outside equity interests

6. Explain the purpose and effect of the journal entries listed in 5.

7. Complete a consolidation worksheet for the preparation of consolidated financial statements.


Subjects Requirements and Method of Assessment

(A) Any student failing to meet ALL the following compulsory subject requirements will fail the course.

(B) The compulsory subject requirements are:
   (i) Attendance and active participation at tutorials.
   (ii) Preparation of all tutorial questions.
   (iii) Attendance at and completion of workshops questions.
   (iv) Submission of three essays in academically acceptable form and within the time and length limit specified.
   (v) Mid-session examination.
   (vi) Achievement of a minimum mark of 40% in the final examination.

(C) The composite mark will be made up as follows:

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<th>Percentage</th>
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<td>Essays (refer particularly to objectives 1, 2 &amp; 3)</td>
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<tr>
<td>Mid-session examination (objective 4 to 8)</td>
<td>15</td>
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<tr>
<td>Final examination (objectives 1 to 8)</td>
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Study Time

As a general rule, each credit point per subject has a value of 2 hours study per week including attendance at tutorials, lectures and workshops. This is a 6 credit point subject. Therefore, on average, 12 hours study per week should be devoted to this subject.

Attendance at Lectures, Tutorials and Workshops

The subject has lectures totalling two hours per week followed by a one hour tutorial, and one hour workshop. **Attendance is required at all these classes.**

Attendance Records

Attendance records will be kept at tutorials and workshops. Records of completion of tutorial assignments and workshop questions will also be kept.

Tutorials

A list of tutorials and tutors will be posted on the departmental notice board in the second week of session. Students must attend the tutorial to which they have been allocated. Requests for changes to tutorial classes must be made in writing through Connie Spasich on the appropriate form available from the Department’s Admin Assistants (Room 328). Changes are not guaranteed.

Tutorial Assignments

Tutorial discussion questions, exercises and problems are provided for each topic. Students are expected to have prepared answers to these questions **prior** to tutorials. Tutors may, at their discretion and without notice, collect and grade assignments during the session. Submission of assignments will only be accepted at tutorials. A record of each student's attempt to satisfactorily complete tutorial assignments will also be kept.

Prescribed Texts

W & Z

Prescribed Texts continued...


(Please note that a number of these texts have been prescribed in earlier subjects and a number will be used in later subjects.)

Texts to which reference may be made INCLUDE:


13. Selected Readings ACCY 201 (available in Closed Reserve, Resources Room and limited copies available in the Union Bookshop).
Computer Assisted Learning

Various computer times are available in the micro laboratories (when classes are not in progress) to access computerised consolidation and other exercises. There are two sets of multiple choice computer assisted learning questions. The materials in one set cover most of the topics covered in this subject. The other set deals exclusively with consolidation. The computer exercises are NOT compulsory. Both packages will provide students with feedback on their basic understanding of topics. Questions are randomly generated so students have the opportunity to regularly test their knowledge throughout the session. Students are urged to make use of these learning aids. Instructions for access to these exercises will be available in the laboratory.

Acknowledgment Practice/Plagiarism and Code of Practice - Students

Plagiarism is the use of another person’s work, or idea, as if it is your own.

The other person may be an author, critic, lecturer or another student. When it is desirable, or necessary, to use other people’s materials, take care to include appropriate references and attribution - do not pretend the ideas are your own. Be sure not to plagiarise unintentionally.

Plagiarism has led to expulsion from the university.

The University provides clear guidelines on its attitude towards plagiarism and how to avoid unintentional plagiarism on pages 40 - 42 of the Undergraduate University Calendar. Students are advised to read these carefully. If any doubts remain as to what constitutes plagiarism, students should discuss the matter with their tutor or the subject co-ordinator.

Essay Topic

Students are required to prepare written answers to three cases drawn from prescribed texts. The purpose of these exercises is threefold:

- to assist students to develop their own problem solving approach
- to encourage the acquisition of research skills
- to improve essay writing skills by providing exercises requiring structured answers.
Essay Topic cont’d...

The following processes may be useful in preparing answers for each case.

Consider the problem carefully. Clearly identify and list the issues raised in the information provided. Make a list of possible means of approaching each issue. Ask yourself what you already know about the subject, what additional knowledge you need to answer the question and where will you find it? Plan your answer carefully. Once you have commenced writing your answer, stop frequently to reflect on your work. Does it make sense? Is this approach, structure, style, etc working? You may need to revise your plan. Refer frequently to the topic and ensure that you are answering the question. Finally, carefully read the prescribed requirements for the essay. Do not lose marks for failure to adhere to them.

Assessment Criteria

- Synopsis

Clancy & 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.

Where synopsis length is not specified it is usual to aim at around 5 - 10% of the length of the essay itself.

- Structure & Presentation

To what extent did the structure and presentation of your essay enhance the logical 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 your written work.

- Referencing
Did your references support your arguments? Did you follow the prescribed method?

Special Requirements:

Essays not prepared and presented in accordance with these requirements will be penalised.

Presentation: Essays should be typed using double-line spacing with a 5cm margin. Essays MUST include a synopsis and a list of references or a bibliography. The Accounting Review method of referencing MUST be used. A copy is included in this Subject Programme. Only one copy of the Essay is to be submitted, however, you MUST retain a printed copy of your essay.

Penalties:

- Late submission: 1 mark per day or part thereof.
- No synopsis: 1 mark
- No list of references or bibliography: 1 mark
- Incorrect referencing: 2 marks
- Failure to refer to press and/or journals: 2 marks

Plagiarised essays, which includes copying the work of another student, will receive a mark of zero. (Refer The University of Wollongong Acknowledgment Practice).

Submission dates for essays are:

- Case 1: 19 August 1996.
- Case 2: 9 September 1996.
- Case 3: 7 October 1996.

However you are required to submit each essay in person, to your tutor, during your tutorial in the weeks beginning on those dates.

No essays are to be submitted by fax or mail. Essays not submitted in the appropriate tutorial class will be deemed to be late submissions and penalised accordingly. Only the subject co-ordinator, Ari Ariyadasa, will consider extensions if they are requested before the due date.

Essays not submitted within 2 weeks of the due date will not be accepted. Students failing to submit essays by this date will automatically fail the subject.
The cover sheet at the end of the Subject Programme is to be attached to the front of your essays.

Cases 1 and 2 will be awarded a mark out of 10. Penalties will be deducted prior to adjustment to a mark out of 5.
Case 1: Topic: C, G & G, Chpt 1: Case 1
Abbott’s Investments Ltd.
Length: 500-600 words
Due Date: 19 August 1996
Marks: 5

Case 2: Topic: C, G & G, Chpt 6: Case 26
Kar Kennel Pty Ltd.
Length: 600 - 800 words
Due Date: 9 September 1996
Marks: 5

Case 3: Topic: C, G & G, Chpt 30: Case 133
Coles Myer Ltd.
Length: 1000-1200 words
Due Date: 7 October 1996
Marks: 10

Mid-Session Examination

Saturday 14 September 1996
Hope Theatre
10.00 am - 11.00 am

Special Consideration and Supplementary Examinations

University policy requires students who, through serious illness or other circumstances beyond their control, are unable to attend an examination, to advise the Vice-Principal (Administration) in writing of the details and submit a standardised Medical Certificate not later than seven (7) days after the date of the examination. These will be considered by the Head of Department. 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 Department within three weeks of the end of the formal examination period. Students will be notified of the exam at least five working days beforehand. It is every student’s responsibility that the University has a correct record of their current address. Situations where students are unable to sit the supplementary examination will be individually but normally another supplementary examination will not be provided. Other action such as support for discontinued rather than fail will be considered if appropriate.

It is the responsibility of that student to ascertain the date of the deferred examination and to ensure that both the University Administration and the Department of Accountancy Administrative Assistant have the correct address and telephone number of the student.

Full details of the university’s policy regarding special consideration are available in the University Calendar (pp 36-38).
Queries and Questions

Students who encounter difficulties with aspects of the subject should first raise the matter with their tutor. If there is still a problem, contact the subject co-ordinator.

Study Effort

Successful completion of this subject requires an understanding of complex issues which cannot be acquired ‘over night’. Students are therefore urged to work consistently through the session and not attempt a last minute cram. Consistent effort includes completion of all tutorial and workshop questions. These have been selected to help you acquire the knowledge and skill required to successfully complete this subject.

We hope you will find this an interesting and worthwhile subject but your success is largely in your hands. Good luck.

Ari Ariyadasa, Connie Spasich
ACCY 201 Financial Accounting IIB

Proposed Lecture Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Beginning</th>
<th>Topic</th>
</tr>
</thead>
</table>
| 1    | 15.7.96   | **Topic 1**  
Introduction & Institutional & Regulatory Framework 
including Policy Statements 1 and 2, SAC’s and Accounting Standards: Political, Social & Economic Consequences. |
| 2    | 22.7.96   | **Topic 1 (cont’d)** |
| 3    | 29.7.96   | **Topic 2: SAC 4** |
| 4    | 5.8.96    | **Topic 2 (cont’d)** |
| 5    | 12.8.96   | **Topic 3: Tax Effect Accounting** |
| 6    | 19.8.96   | **Topic 3 (cont’d)** |
| 7    | 26.8.96   | **Topic 4: Consolidation Revision: Basic Concepts; Acquisition of Subsidiary** |
| 8    | 2.9.96    | **Topic 4 (cont’d) Acquisition (cont’d). Pre & Post Acquisition Profits and Dividends** |
| 9    | 9.9.96    | **Topic 4 (cont’d) Intra-group transactions, Unrealised Profits, Tax Effects** |
|      | 14.9.96   | **Mid Session Test** |
| 10   | 16.9.96   | **Topic 4 (cont’d)**  
Multiple Subsidiaries & Outside Equity Interest |
|      | **23.9.96 to 6.10.96 RECESS** |
| 11   | 7.10.96   | **Topic 5: Foreign Currency** |
| 12   | 14.10.96  | **Topic 5 (cont’d)** |
| 13   | 21.10.96  | **Topic 6: Extractive Industries** |
| 14   | 28.10.96  | **Topic 6 Extractive Industries (cont’d) Review** |
### ACCY 201 Financial Accounting IIB

**Mandatory Text Readings Schedule**

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<th>H &amp; P</th>
<th>L &amp; H</th>
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<td>Chpt 1</td>
<td>Chpts 1 &amp; 4</td>
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<td>22.7.96</td>
<td>SAC 2 &amp; 3</td>
<td>Chpt 1</td>
<td>Chpts 2 &amp; 5</td>
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<td>SAC 4</td>
<td>Chpts 5 &amp; 7</td>
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<td>SAC 4</td>
<td>Chpt 5 &amp; 7</td>
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**Selected Readings**

A selection of journal articles has been compiled to supplement textbook and lecture materials. Students are strongly advised to read these articles as they will enhance understanding of specific topics and may be useful for study for examination purposes and essay writing.

**Note:** Text and the selected articles represent *minimum* reading requirements. Students are urged to read widely on all topics and, in particular, in the preparation of the essay topic.
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<th>W &amp; Z</th>
<th>H &amp; P</th>
<th>C. G &amp; G</th>
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<td>Chpt 20: Q 1, 15</td>
<td>Chpt 11: D11-3,D11-4</td>
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</table>
Workshop questions have deliberately been given to you in advance so that you can attempt them prior to the Workshop. This will greatly assist you in identifying problem areas so that you can then raise them with workshop supervisors. Simply copying an answer will not assist you to learn complex concepts.
Case 1: C, G & G Chapt 1: Case 1
Abbots Investments Ltd.

Due Date: 19 August 1996

The following declaration is to be signed and attached to your essay and computer assignments.

"I have read and adopted the University of Wollongong Acknowledgment Practice Code in the University Calendar on pages 36 to 38.

Signed:.................................................."

Failure to include this statement, duly signed, in your essay/computer assignments will be taken to indicate that the essay has not been duly submitted and per diem late penalties may apply until the omission is corrected. Members of the teaching team are not responsible for drawing this omission to your notice.
Case 2: C, G & G Chapt 6: Case 26
Kar Kennel Pty Ltd.
Due Date: 9 September 1996

The following declaration is to be signed and attached to your essay and computer assignments.

"I have read and adopted the University of Wollongong Acknowledgment Practice Code in the University Calendar on pages 36 to 38.
Signed:..................................................

Failure to include this statement, duly signed, in your essay/computer assignments will be taken to indicate that the essay has not been duly submitted and per diem late penalties may apply until the omission is corrected. Members of the teaching team are not responsible for drawing this omission to your notice.
DEPARTMENT OF ACCOUNTANCY

ACCY 201
ESSAY COVER SHEET

Student Name:..................................................................................................................

Student Number...............................................................................................................

Tutorial:.........................................................................................................................

Tutors Name:..................................................................................................................

Case 3:  C, G & G, Chpt 30:  Case 133
Coles Myer Ltd

Due Date:  7 October 1996

The following declaration is to be signed and attached to your essay and computer assignments.

"I have read and adopted the University of Wollongong Acknowledgment Practice Code in the University Calendar on pages 36 to 38.

Signed:..........................."

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