Subject Coordinator: Dr Soon Nam Kim

Consultation Time: Monday 1-3pm
Tuesday 3–5pm

Contact address: Office – B40.306 (ext. 3696)
Email: ksoon@uow.edu.au

Subject Description

This subject deals with the fundamental causes of international variations in accounting with special emphasis on the problems that such variations create for financial reporting to cater for the needs of users around the world, and managerial planning and control within multinational corporations. The subject attempts to provide an understanding of the international dimensions of accounting brought about by the emergence of the multinational enterprise as an important economic and social force, the abandonment of stable currency systems in international monetary affairs, the rising resource and commodity prices and monopolies as a world-wide malady, the growth of broadly-based international capital markets, the regional integration and harmonization of widely-divergent national economic systems and the growing economic aspirations of the Emerging Economies. Students going into corporate accounting with international corporations will find useful the emphasis given in the subject to environmental considerations, and the wider management, regulatory and stakeholder expectations appropriate for these entities. Students going into public accounting will find this subject useful in terms of understanding the organization and needs of your corporate clients, as well as gaining a more thorough understanding of the structure of services provided by the large public accounting firms.

We will be discussing current developments using the Australian Financial Review and other publications on issues related to international business and accounting.

Learning Objectives

Through participation in the activities of this subject students will be able to:

- discuss the important accounting dimensions of global business and identify the major international pressures for accounting change;

- describe different ways to classify accounting and examine the social and cultural elements in the developments of accounting;
• explain how accounting is similar within different country groups and how these groups are different from other groups;

• describe international developments in specific areas of financial accounting, including consolidation, inflation, and foreign currency;

• prepare comparative international analysis of financial statements having due regard for the way financial statements are prepared, regulated and audited in different countries;

• describe international developments in specific areas of managerial accounting including performance evaluation, transfer pricing and taxation;

• examine global influences in the education, training, registration and regulation, and performance of external audit in an international environment;

• identify major issues and challenges in international financial accounting, managerial accounting, taxation and auditing we will need to face in the immediate future.

Prescribed Texts


Reference Texts


**Recommended Accounting Journals**
• The International Journal of Accounting.
• Journal of International Business Studies.
• Advances in International Accounting.
• Journal of International Financial Management & Accounting
• Asian Review of Accounting
• ABACUS
• Critical Perspectives on Accounting (CPA Journal)
• Accounting, Auditing and Accountability Journal (AAAJ)
• Accounting, Organization and Society (AOS)
• Accounting Forum
• Pacific Accounting Review

Class Schedule & Method of Instruction

This subject will be run on a weekly seminar basis. Each seminar is two hours and the seminar times and venue is:

Day: Friday
Time: 1:30 – 3:30pm
Room: B19. 1067

Each student is required to present seminar papers based on selected topics set out in the weekly seminar agenda. Seminar papers must adequately cover the topic, be fully written up and typed (double spaced). Papers must include a comprehensive list of references containing papers and publications other than those listed in the textbook. Referencing must follow the format used in The Accounting Review (recent volumes). A copy of the seminar paper must be submitted to the lecturer-in-charge after the seminar.

All students are expected to have done their own reading prior to the seminar and are expected to make a meaningful contribution to the discussions.

The length of paper presented at the seminar should be sufficient to adequately cover the topic in depth (including reference and double spaced printing).

Students who fail to comply with these requirements or who are unable to present their papers on the scheduled date will be penalized by being awarded zero marks.

Weekly Seminar Agenda

<table>
<thead>
<tr>
<th>Week No.</th>
<th>Week Starting</th>
<th>Weekly Topics</th>
<th>Textbook Chapters</th>
<th>Questions in Textbook</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>26 Jul 02</td>
<td>Introduction and overview of International Accounting</td>
<td>Chapter 1</td>
<td>Overview of the subject</td>
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</tbody>
</table>
| 02 | 02 Aug 02 | Comparative International financial accounting (workshop on presentation skills - LDU) | Chapter 2 & 3 | Ch. 2 – 1, 2, 4
<p>| | | | | Ch. 3 - 2, 3, 5, 6 |
| 03 | 09 Aug 02 | Financial Statement Analysis | Chapter 4 | Ch. 4 – 1, 3, 4; Case (Australia) |
| 04 | 16 Aug 02 | Issues of Transparency and Disclosure | Chapter 5 | Ch. 5 – 1, 2; Case (India) |</p>
<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Chapter/Exercise details</th>
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<tbody>
<tr>
<td>05 23 Aug 02</td>
<td>Harmonization of Financial Accounting Practices</td>
<td>Chapter 6; Ch. 6 – 2, 4, 5; Exercise (in group)</td>
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<tr>
<td>06 30 Aug 02</td>
<td>Accounting for Business combinations, goodwill and intangibles</td>
<td>Chapter 7; Ch. 7 – 1, 2, 3, 4, 6, 9; Case (UK)</td>
</tr>
<tr>
<td>07 06 Sep 02</td>
<td>International Segment Reporting</td>
<td>Chapter 8; Ch. 8 – 1, 2, 3, 4; Case (Nestle)</td>
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<tr>
<td>08 13 Sep 02</td>
<td>Accounting for Foreign Currency Transactions &amp; Accounting for Foreign Currency Translation</td>
<td>Chapter 9 &amp; 10; Ch. 9 – 1; Case Ch. 10 – 2, 5; Case (Japan)</td>
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<tr>
<td>09 20 Sep 02</td>
<td>Mid-term exam (multiple choice) &amp; workshop on essay writing – LDU</td>
<td>No lectures this week; No questions for this week</td>
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<tr>
<td>10 11 Oct 02</td>
<td>International Accounting for Price Changes</td>
<td>Chapter 11; Ch. 11 – 1, 2, 4, 5, 6, 7</td>
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<tr>
<td>11 18 Oct 02</td>
<td>International Auditing Issues &amp; International Management System</td>
<td>Chapter 12 &amp; 13; Ch. 12 – 3, 4, 5, 6, 7 Ch. 13 – 1, 5, 6, 7</td>
</tr>
<tr>
<td>12 25 Oct 02</td>
<td>International Performance Evaluation &amp; International Taxation Issues</td>
<td>Chapter 14 &amp; 15; Ch. 14 – 2, 3, 5, 6 Ch. 15 – 2, 3, 4, 6, 7</td>
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<tr>
<td>13 01 Nov 02</td>
<td>Summary &amp; Revision</td>
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**Assessment**

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<tr>
<th>Assessment</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>General Class Participation (including written answers to pre-set questions)</td>
<td>10%</td>
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<tr>
<td>Mid-term Exam (20 September 2002)</td>
<td>20%</td>
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<tr>
<td>Major paper (Due on 11 October 2002)</td>
<td>20%</td>
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<tr>
<td>Final examination (three hours)</td>
<td>50%</td>
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<tr>
<td>Total</td>
<td>100%</td>
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To pass this subject, students must obtain at least 40% in each assessment component. Marks may be scaled.

Performance grades are:

- **HD** High Distinction: 85 – 100%
- **D** Distinction: 75 – 84%
- **C** Credit: 65 – 74%
- **P** Pass: 50 – 64%
- **F** Fail (unsatisfactory completion): 0 – 49%

**Class Preparation & Participation**

- Discussion questions, exercises, and cases at the end of each chapter do provide some focus for discussion during the seminar. These questions, exercises and cases are however not to be taken to be exhaustive of the topic and should be supplemented with your own questions.

- Each presentation should take about 45 minutes, leaving sufficient time for general discussion and discussion of set questions and exercises. Presentations should not consist of reading an essay.

- The student making the presentation will also be responsible for leading the discussion, including the set questions and exercises.
• Each student is expected to be familiar with the topic of the seminar and is expected to make a valuable contribution at each seminar. Each student will be required to hand in written answers to the set weekly questions and exercises.

• Remember to submit one copy of your seminar paper to the lecturer.

• Marked seminar paper and the written answers will be returned in the class on the following week.

**Major Paper**

The major paper must be on an area within the scope of international accounting. Each student is required to discuss with the lecturer the area of his/her research interest so that an appropriate topic can be assigned. Students are advised to arrange a meeting with the lecturer as early in the Session as possible to allow adequate time to work on the paper. The paper must be adequately researched, properly referenced, using the format used in *The Accounting Review* (recent volumes). A synopsis/abstract and list of references are required.

**Submission and Presentation Requirements:**

1. Length: 2000 words (not including the synopsis or references).
   
   * N.B: Acceptable length: plus or minus 100 words. Shorter or longer essays will be subject to a penalty.

2. The paper **must** be typed using a word-processing package (Microsoft Word Preferred).

3. The format must include
   a. 1.5 line spacing or double-spaced.
   b. Printed on one side of the paper only
   c. At least 12 point type (preferably New Times Roman)
   d. Justified lines
   e. 3 cm left and right hand margins.

4. Pages are to be consecutively numbered.

5. You must attach a cover sheet with signed declaration that included your name and student identification number, the due date and the topic. A cover sheet is available from the UOW School of Accounting and Finance website.

6. Your paper **must** include a list of references (a minimum of 10 references that are NOT textbooks. As for the web materials and/or news articles, it should not exceed more than 3 references) in academic form (the referencing conventions of the journal of *Accounting Review* are recommended to be used). All sourced material, including direct quotations, should be appropriately acknowledged.
7. Each paper must have a synopsis of no more than 150 words on a separate page.

8. A duplicate of the paper is not required. You must ensure, however, that you have the capacity to provide a duplicate, should this be requested. Problems with computers, printers, software, lost disks and so on, will NOT be accepted as excuses for late submission or inability to reproduce on short notice a second copy of the paper (if required). Always make a backup and copy of your work.

The paper will be penalized for failure to meet any of these requirements.

Due date for submission: 11 October 2002. Late submissions will loose 10% per day or part thereof, including weekends.

Submission by Facsimile or Email or Mail will NOT be accepted or marked. For the general University policy, see the University’s web site at: www.uow.edu.au.

Major paper will be returned to students no later than three weeks after their submission.

**Mid-term Examination**

The mid-term examination will take place in class during week 9 and be of one hour duration. The coverage of the examination will be from Chapter 1 to 10. The format of the examination will be multiple choice questions.

You must attempt the mid-term examination in order to meet the requirements of this subject and failure to do so could result in failure of the subject. Special consideration can only be granted by the subject coordinator. Special consideration will be given only if there are substantial reasons to do so. The student must provide adequate and substantial documentation for granting of special consideration.

**Final Examination**

The final examination will be of three hours duration. The questions will be set from the areas covered during the session.

**Special Consideration and Supplementary Examinations**

Students are expected to familiarize themselves with the University regulations as stated in the Postgraduate Calendar, including the regulations on special considerations and supplementary examinations, plagiarism, and code of practice. The full policy on special consideration may be viewed at: http://www.uow.edu.au/student/calendar/special consideration.html
Workload

The University Calendar defines the workload for each subject in terms of "credit points". For a 6 credit point subject you are expected to study at least 12 hours per week, including your 2 hours class contact.

Plagiarism

Students are expected to adhere to the University of Wollongong policy on Acknowledgement Practice/Plagiarism in the Postgraduate Calendar. You are required to adopt this code in all work for this subject.

"Plagiarism means using the idea of someone else without giving them proper credit. That someone else may be an author, critic, journalist, artist, composer, lecturer, tutor or another student. Intentional plagiarism is a serious form of cheating. Unintentional plagiarism can result if you don't understand and use the acceptable scholarly methods of acknowledgement. In either case, the University may impose penalties which can be very severe."

The full policy may be viewed at: http://www.uow.edu.au/student/calendar/rules/plagiarism.html

Disability

Students with disability who require special arrangements or consideration should contact the Disability Liaison Officer in Student Services telephone 02 4221 4352, or the Faculty Disability Officer (the Sub Dean) telephone 02 4221 5773, and the Subject Coordinator.

Non-Discriminatory Language Practice and Presentation

Students are expected to read and adhere to the University of Wollongong policy on Non-discriminatory Language Practice and Presentation. It is expected that students will use non-sexist and non-racist language.