

Macao Polytechnic Institute

School of Business

Bachelor of Accounting

Module Outline

Academic Year 2020 / 2021 Semester II

Learning Module	Intermediate Accounting II			Class Code	ACCT2110-221
Pre-requisite Course	Nil				
Medium of Instruction	English			Credit	3
Lecture Hours	45 hrs	Lab/Practice Hours	0hrs	Total Hours	45 hrs
Instructor	Dr Steve Fong		E-mail	ccfong@ipm.edu.mo	
Office	M-552, Meng Tak Building, Main Campus		Telephone	8599-3345	

Description

The course is a continuation of Intermediate Accounting I which further discusses the other topics in financial accounting, including current liabilities, stockholders' equity, EPS, investment, revenue recognition, leases and cash flow statement.

Learning Outcomes (CILOs)

Upon completion of this course, the students should be able to:

1. Prescribe the appropriate accounting entries for current, long-term and other liabilities.
2. Evaluate the appropriate elements to be included in computing earnings per share and diluted earnings per share.
3. Assess the effects of changes in accounting policy, estimates, and errors in Financial Statements.
4. Re-arrange the various elements in the Income Statement and Balance Sheets in the construction of Cash Flow Statements.
5. Manage written and spoken communication skills for working in a group, including team building activity, project management, and presentation.

Content

Description	Duration
<p>1. Current Liabilities, Provisions and Contingent Liabilities</p> <p>1.1 Current Liabilities Apply accounting concepts and techniques to short-term liabilities</p> <p>1.2 Contingencies Demonstrate an understanding regarding the accounting for different types of loss contingencies.</p> <p>1.3 Presentation and Analysis Demonstrate an understanding on how to present and analyze liabilities and contingencies</p>	6 hours
<p>2. Non-Current Liabilities</p> <p>2.1 Bonds payable Apply the methods of bond discount and premium amortization.</p> <p>2.2 Long-term Notes Payable Demonstrate an understanding regarding the accounting for long-term notes payable.</p> <p>2.3 Reporting and Analysis of Long-term Debt Present and analyze long-term debt.</p>	4.5 hours
<p>3. Equity</p> <p>3.1 Corporate Capital Apply the accounting procedures for issuing shares of stock.</p> <p>3.2 Preferred Stock Demonstrate an understanding regarding the accounting for and reporting of preferred stock.</p> <p>3.3 Dividend Policy Demonstrate an understanding regarding the accounting for small and large stock dividends, and for stock splits.</p> <p>3.4 Presentation and Analysis of Stockholders' Equity</p>	6 hours
<p>4. Dilutive Securities and Earnings Per Share</p> <p>4.1 Dilutive Securities and Compensation Plans Describe the accounting for the issuance, conversion, and retirement of convertible securities.</p> <p>4.2 Computing Earnings Per Share Apply basic computational techniques to compute earnings per share in a simple and complex capital structure.</p>	4.5 hours
MID-TERM TEST	2 hours
<p>5. Investments</p> <p>5.1 Investments in Debt Securities Identify the three categories of debt securities and describe the accounting and reporting treatment for each category.</p> <p>5.2 Investments in Equity Securities Identify the categories of equity securities and describe the accounting and reporting treatment for each category.</p> <p>5.3 Other Reporting Issues Demonstrate an understanding regarding the accounting for impairments of debt and equity investments.</p>	6 hours

<p>6. Revenue</p> <p>6.1 Revenue Recognition at Point of Sale Apply the revenue recognition principle. Describe accounting issues for revenue recognition at point of sale.</p> <p>6.2 Revenue Recognition Before Delivery Apply the percentage-of-completion method and completed-contract method for long-term contracts.</p> <p>6.3 Revenue Recognition After Delivery Describe the installment-sales method and cost-recovery method of accounting.</p>	4.5 hours
<p>7. Reporting Accounting Changes and Error Analysis</p> <p>7.1 Accounting Changes Describe the accounting for changes in estimates, accounting principles & correction of error.</p>	4.5 hours
<p>8. Statement of Cash Flows</p> <p>8.1 Preparation of The Statement of Cash Flows Apply accounting concepts and techniques to measure and report all cash inflows and cash outflows.</p> <p>8.2 Special Problems in Statement Preparation Analyze special problems in preparing a statement of cash flow</p>	3 hours
<p>Revision</p>	1 hour
<p><i>Final Examination</i></p>	3 hours
<p><i>Total</i></p>	45 hours.

Teaching Method

This course is primarily conducted by means of class lectures and discussion of factors and issues affecting management performance in the management accounting literature. In addition to reading materials in the text, students are asked to perform analysis of case materials for in-class discussion, with the submission of a formal report for instructor's evaluation. Mid-term test is used to monitor students' progress and commitment of knowledge acquisition throughout the course. A comprehensive final examination is used to assess students' overall performance at the end of the course.

TLA1: Financial Accounting knowledge is delivered primarily by interactive lectures with the aid of slides on concepts of accounting methodologies, with the technical skills and techniques illustrated by solving problems.

TLA2: Class exercises, short formative oral or written quizzes will be given at the end of the lessons. Discussions are part of the class activities in which teamwork will be encouraged. Current events with financial, accounting, and socio-economic implications will be raised in class to help students think and understand the linkage of the course learning with the current news events, the importance of the need of ongoing learning as well as to monitor progress of students' knowledge acquisition in Financial Accounting.

TLA3: Students must prepare for assignment besides class attendance, as they will be asked to work on problems or respond to conceptual issues in the readings.

TLA4: A group project is used to assess students' ability to calculate, analyze and interpret the information of Financial Accounting problems or cases.

In order to achieve the outcomes of this course, students are expected to perform the following learning tasks:

- Read and prepare assigned materials before class
- Review and work on exercises after class to evaluate understanding
- Attend seminars and meetings that help to expand the knowledge horizon
- Prepare and collect project information
- Prepare for test and final examination
- Seek advice from instructor for difficulties encountered
- Form study group to learn and practise skills and knowledge

Alignment of CILOS with TLAs

TLAs	Brief Description	CILO No.				
		1	2	3	4	5
TLA1: Interactive lectures	Lectures: in-depth coverage of management accounting is presented with PowerPoint slides and other additional illustration materials as necessary Q&A: time allowed to raise questions from both instructor and students	√	√	√	√	
TLA2: In-class discussion exercises and formative Q&As	In-class exercises and Q&As will be discussed to direct student attention to the issues. Formative Quizzes: students will take short oral or written quizzes at the end of the class to review what they learn.	√	√	√	√	
TLA3: Assignments	Students are required to complete assigned questions and problems. At least one major problem will be assigned from a list of questions after each chapter at specific time. No late submission will be accepted.	√	√	√	√	
TLA4: Group Project and Presentation	Students are required to form a small group to present certain Cost Accounting issues or cases. This provides students opportunities to integrate and apply their knowledge of cost accounting in the course. Team work and communication: In addition to reinforcing their knowledge of accounting through group interactive discussion, students can learn to coordinate their task and develop their presentation skills.	√	√	√	√	√

Attendance

Attendance during the course must meet the attendance requirements as stated in the “Academic Regulations Governing Bachelor’s Degree Programmes of Macao Polytechnic Institute”. Students who have less than the required attendance for the enrolled module are not eligible to attend the final and re-sit examinations and will be given “F” as their final grade.

Assessment

The following activities and tasks (i.e. coursework components and examinations) are designed to give students experience of a broad range of approaches aimed at developing and assessing their learning. Assessment will be both formative and summative and will involve in-class Q&As, exercises, oral presentation of group report, assignments, quizzes, mid-term test and final examination. There are desirable skills or qualities developed through this course experience, certain enhanced learning outcomes are not explicitly and individually assessed (e.g. lifelong learning habits).

Students' understanding of course material and their performance is assessed through presentation of case analysis and reports, assignments, mid-term test, and comprehensive final examination, the weighting of which is shown below:

Type of Assessment Task/Activities	CILO No.					Weighting Percentage
	1	2	3	4	5	
In-class discussion, exercises and formative Q&As	√	√	√	√		5%
Assignments	√	√	√	√		10%
Group Project and Presentation	√	√	√	√	√	10%
Mid-term test	√	√		√		25%
Final examination	√	√	√	√		50%
						<u>100%</u>

There will be NO make-up arrangement for mid-term test and/or final examination owing to student's absence.

Plagiarism Policy

When a student submits an assignment, he has a duty to ensure that his assignment has been checked by Turnitin software, and the similarity score given by Turnitin software cannot be higher than 30%. However, a special case can be determined by the instructor.

Teaching Materials

Required Textbook

Kieso & Weygandt. (2020). Intermediate Accounting: IFRS Edition, 4th edition, John Wiley & Sons.

References

1. Lam, N. and P. Lau, *Intermediate Financial Reporting: An IFRS Perspective*, 2nd Edition, McGraw Hill, Longman, 2012.
2. Williams, Haka, Bettner, Carcello, Lam and Lau, *Financial Accounting: Including International Financial Reporting Standards (IFRS)*, McGraw-Hill (latest version).
3. Keith Alfredson, Ken Leo, Ruth Picker, Paul Pacter, Jennie Radford, *Applying International Accounting Standards*, Wiley (latest version).
4. Alfredson, K., K. Leo, R. Picker, P. Pacter, J. Radford and V. Wise, *Applying International Financial Reporting Standards, 2nd Edition*, John Wiley & Sons, 2009.
5. ACCA F3 Financial Accounting Study Text
<http://ebookbrowse.com/f3-financial-accounting-int-study-text-bpp-pdf-d376435685>
6. ACCA F7 Financial Reporting (International) Study Text
[http://stimul.az/downloads/F7-Financial%20Reporting%20\(Int.\)-Study%20Text-BPP.pdf](http://stimul.az/downloads/F7-Financial%20Reporting%20(Int.)-Study%20Text-BPP.pdf)
7. International Financial Reporting Standards
<http://www.icaew.com/en/library/subject-gateways/accounting-standards/ifrs>
8. IFRS Foundation and the IASB
<http://www.ifrs.org/Pages/default.aspx> ; <http://www.ifrs.org/IFRSs/Pages/IFRs.aspx>
9. KPMG IFRS Publications
<http://www.kpmg.com/Global/en/topics/Global-IFRS-institute/Pages/IFRS-publications.aspx>
10. PwC IFRS update
<http://www.pwc.com/gx/en/ifrs-reporting/index.jhtml>

Note: Class schedule is **TENTATIVE** and hence subject to change according to the student progress.

Alignment of Program and Course Intended Outcomes

CILO PILO	1	2	3	4	5
1. Integrate the contemporary theories, principles of accounting and business disciplines relevant to general business practice.	√			√	
2. Assess general business scenarios with mathematical and statistical skills.		√			
3. Apply critical thinking and logical analysis skills and techniques to solve business problems.					
4. Interpret and analyze accounting information for internal control, planning, performance evaluation, and coordination to continuously improve business process.					
5. Apply accounting or business software for business analysis.					
6. Develop queries to assess management information from database to improve efficiency and effectiveness.					
7. Synthesize the latest requirement of international accounting and auditing standards in preparing financial statements and auditing reports.	√	√	√	√	
8. Utilize appropriate written and spoken forms to communicate effectively with stakeholders in various cultural environment.					√
9. Recommend an appropriate course of action by ethically examining the economic, environmental, political, legal and regulatory contexts of global business practice .					
10. Utilize the latest empirical findings and academic studies to support the recommendation of business projects.					