

Macao Polytechnic Institute
School of Business
Bachelor of Accounting

Module Outline

Academic Year 2020 / 2021

Semester II

| | | | | |
|------------------------------|--|---------------------------|-------------------|------------------------------|
| Learning Module | Advanced Financial Accounting II | | Class Code | ACCT4110-421 |
| Pre-requisite(s) | Nil | | | |
| Medium of instruction | English | | Credit | 3 |
| Lecture Hours | 45 hrs | Lab/Practice Hours | 0 hrs | Total Hours 45 hrs |
| Instructor | Dr. Thomas Choi | | E-mail | kkchoi@ipm.edu.mo |
| Office | Rm 211, Pearl Jubilee Building, Taipa Campus | | Telephone | 8893 6225 |

Description

This module explores the technical difficulty relating to accounting for transactions involving foreign exchange in both operating and investing contexts, as well as the use of hedging technique to manage risks using such financial instruments as options and forward. Also included in this course are accounting procedure during bankruptcy and receivership proceeding, dissolution of partnership as well as its profit and loss sharing mechanism. Accounting treatments in a Not-for-profit-making environment will also be addressed.

Learning Outcomes (MILOs)

After completing this module, students are expected to be able to:

1. Transform their knowledge to prepare financial statements for various types of partnership conditions,
2. Prescribe the appropriate process to account for the termination of partnerships,
3. Assess the impact of hedging transactions and recommend the appropriate accounting methods and treatments for those transactions,
4. Develop the procedures for translating foreign currency denominated financial statements into reporting currency, and their respective accounting adjustments,
5. Distinguish the primary differences of accounting transactions between not-for-profit and profit-making organizations.

Alignment of Program and Module Learning Outcomes

| MILOs | 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 (e.g. MS Excel) 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 environments. | √ | √ | | √ | |
| 9. Recommend an appropriate course of action by ethically examining the economic, environmental, political, legal and regulatory contexts of global business practice. | | | √ | | |
| 10. Utilise the latest empirical findings and academic studies to support the recommendation of business projects. | | | √ | √ | |

Content

| <i>Topical Sessions</i> | <i>Topic</i> | <i>Chapter</i> | <i>Duration (Hours)</i> |
|-------------------------|--|----------------|-------------------------|
| 1 | Foreign Currency Transactions and Hedging Foreign Exchange Risk (Jan 22/21) | 9 | 6 |
| 2 | Translation of Foreign Currency Financial Statements | 10 | 6 |
| 3 | Worldwide Accounting Diversity and International Standards | 11 | 3 |
| 4 | Financial Reporting and the Securities and Exchange Commission | 12 | 6 |
| Midterm Exam | | 9-11 | 3 |
| 5 | Accounting for Legal Reorganizations and Liquidations | 13 | 4.5 |
| 6 | Partnerships: Formation and Operation | 14 | 4.5 |
| 7 | Partnerships: Termination and Liquidation | 15 | 4.5 |
| 8 | Accounting for Private Not-for-Profit Entities (May 7/21) | 18 | 4.5 |
| Final Exam | | All | 3 |
| Total | | | 45 |

**The preliminary time assignment for each topic is distributed evenly, and will be modified together with topics to be covered in accordance with the actual progress in class in the light of students' performance and their progress of understanding under the instructor's discretion.*

Teaching Method

Since comprehension of concepts and reasoning behind the adoption of various accounting practices is critical to the decision choice of appropriate accounting methods, this module is conducted primarily by means of class lectures on concepts of accounting methodologies, supplemented by illustration of computation techniques in tackling accounting problems. Students must prepare for the course material before each lecture for in-class discussions, and queries, and/or assignments, as these will be used to assess and reinforce their understanding of the module materials, as well as to monitor their progress and commitment to acquire knowledge. The primary teaching activities comprise the following:

- Lectures
- Demonstrating of accounting problem solving techniques
- Online assignments and/or in-class exercises
- In-class discussions
- Q&As

Attendance

Attendance requirements are governed by the "Academic Regulations Governing Bachelor's Degree Programmes of Macao Polytechnic Institute". Students who have less than the required attendance for the enrolled learning module are not eligible to attend the final or re-sit examinations and will be given an "F" as their final grade.

Assessment

Assessment of student's comprehension of module material and performance is conducted by monitoring their learning progress through their participation by means of Q&A during lectures, online or class assignments, and a term test. After completing of the module, a comprehensive final examination is used to assess their comprehension of the module material and application skills. The methods of assessing student performance and their respective weighting distribution are shown below, with 100 being the highest and 50 the pass marks.

| Item | Description | Percentage |
|-------------------|---|-------------------|
| Assignments | Practise assignments are given online –via the McGraw Connect electronic platform | 15% |
| Participations | Students' class attendance, active participation in discussion and responses to Q&As. | 10% |
| Mid-term test | Topics Covered up to 1 week before the test | 30% |
| Final Examination | Comprehensive | 45% |
| Total | | 100% |

There will be no make up for mid-term test omitted during student's absence in class. If such absences are permitted by the 'Academic and Disciplinary Rules and Regulations' with official valid evidence of excuses, the final examination will be used as a replacement for the missing test, and the marks awarded will be used as the mid-term marks as well.

Plagiarism Policy

It is students' responsibility to ensure that his/her 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

Textbook

Hoyle, Schaefer, and Douppnik, 2020, Advanced Accounting Plus Connect Access Code Card for one year, 14th edition, McGraw-Hill (ISBN 978-1-260-57591-0)

References

Tan, Hock Neo Pearl, Lim and Nyeau, Advanced Financial Accounting: An IAS and IFRS Approach, 2015, 2nd edition, McGraw

Christensen, Cottrell and Budd, 2019, Advanced Financial Accounting, 12th edition, McGraw-Hill

Kieso, Weygandt, and Warfield, Intermediate Accounting IFRS edition, Vol. 1 and 2, Wiley
Journal of Accountancy

Website(s)

<https://connect.mheducation.com/>

These two websites are used to locate relevant accounting standards issued by the FASB and IASB.

<https://asc.fasb.org/>

<http://www.ifrs.org/IFRSs/IFRS.htm>