BUSN2015
Company Accounting
Semester 2 2014

Course Description
This course covers the characteristics of the Australian accounting environment and its financial reporting requirements for companies, and expands on accounting for non-current assets (depreciation, revaluation, impairment), accounting for intangible assets, accounting for liabilities and owners' equity (share capital and reserves) and accounting for leases and income tax, and, most importantly, provides a comprehensive coverage of consolidation issues (accounting for group structures, intra-group transactions and non-controlling interests) and equity investments.

<table>
<thead>
<tr>
<th>Semester and Year</th>
<th>Semester 2, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course URL</td>
<td><a href="http://wattle.anu.edu.au">http://wattle.anu.edu.au</a></td>
</tr>
<tr>
<td>Mode of Delivery</td>
<td>On campus, blended</td>
</tr>
<tr>
<td>Prerequisites</td>
<td>BUSN1002 Accounting Processes and Systems</td>
</tr>
<tr>
<td>Course Convener</td>
<td>Alfred Tran</td>
</tr>
<tr>
<td>Office Location</td>
<td>Room 3.31 CBE Building (26c)</td>
</tr>
<tr>
<td>Phone</td>
<td>(02) 61255118</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:Alfred.Tran@anu.edu.au">Alfred.Tran@anu.edu.au</a></td>
</tr>
<tr>
<td>Consultation hours</td>
<td>To be announced on the Wattle course site</td>
</tr>
<tr>
<td>Bio and research interests</td>
<td>Alfred Tran is an associate professor in the Research School of Accounting and Business Information Systems. He holds a doctoral degree from ANU. He is a Fellow of CPA Australia and a Chartered Tax Adviser. Alfred lectured at the University of Hong Kong before he joined ANU. Prior to his academic career, he worked for the tax offices of Australia and Hong Kong, and had industry experience in the accounting department of a large manufacturing company. He currently lectures on tax law and company accounting. His research interests include how taxes affect business strategy, tax compliance, and the relation between tax law and accounting rules.</td>
</tr>
<tr>
<td>Tutor(s)</td>
<td>Tutor's name and contact details will be provided on the Wattle course site</td>
</tr>
<tr>
<td>Student Administrators</td>
<td>HN 2037 Hanna Neumann Bldg 21 <a href="mailto:enquiries.ABIS@anu.edu.au">enquiries.ABIS@anu.edu.au</a> 6125 0025 or 6125 7968 Office hours : Monday -Friday 9am – 5pm</td>
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COURSE OVERVIEW

Course Learning Outcomes
On satisfying the requirements for this course, students should have:

- Outcome 1: An understanding of the regulatory environment in which the companies are formed and operate in Australia.
- Outcome 2: A solid foundation in accounting and reporting requirements of the Corporations Act and relevant Australian Accounting Standards Board (AASB) accounting standards.
- Outcome 3: A comprehensive understanding of the advanced issues in accounting for assets, liabilities and owners' equity.
- Outcome 4: The ability to account for income taxes.
- Outcome 5: The ability to account for leases.
- Outcome 6: The ability to account for intangible assets.
- Outcome 7: An understanding of the accounting requirements for a corporate group and familiarity with the theory underlying the methods used to account for inter-company investments.
- Outcome 8: The ability to prepare consolidated accounts for a two-tier corporate group.
- Outcome 9: An understanding of the basic principles of accounting for investments in associates.

Research-Led Teaching
This course refers students to the economic consequences of corporate financial reporting rules as found in empirical research, and the subsequent revisions to these rules to improve their robustness. The assignment in this course requires students to conduct a small research project using financial reports of Australian listed companies.

Continuous Improvement
In order to engage students in the learning process throughout the semester to avoid procrastination, and to provide students with prompt feedback to support their learning, the following two assessment items were introduced from semester 2, 2013:

- tutorial presentation by students (and participation in discussion), and
- weekly tutorial quizzes.

Positive and encouraging student feedback such as those listed below were found in the responses to SELT survey:

- “I like the scheme of the tutorial presentation. It really helps me learning and keeps me on track.”
- “The weekly tutorial quizzes helped my understanding of the week’s topic and it ensured me on where I was struggling to understand and to improve on it.”

Requisites
You are expected to be proficient with the principles of double-entry accounting, in particular, preparation of journal entries and financial statements. A thorough understanding of the elements of the financial statements such as revenues, expenses, assets, liabilities and owners’ equity is also assumed. If it has been some time since you completed BUSN1002, you might need to revise these materials and refresh your memory.

Student Feedback
All CBE courses are evaluated using Student Experience of Learning and Teaching (SELT) surveys, administered by Planning and Statistical Services at the ANU. These surveys are offered online, and students will be notified via email to their ANU address when surveys are available in each course. Feedback is used for course development so please take the time to respond thoughtfully. Course feedback is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching and to improve courses across the university. For more information on student surveys at ANU and reports on feedback provided on ANU courses, visit http://unistats.anu.edu.au/surveys/selt/students/ and http://unistats.anu.edu.au/surveys/selt/results/learning/

**COURSE SCHEDULE**

<table>
<thead>
<tr>
<th>Week beginning</th>
<th>Lecture Topic</th>
<th>Readings (Deegan 7E)</th>
<th>Tutorial topic (Tutorial questions are available on the Wattle)</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>[1] 21 July</td>
<td>The Australian accounting environment</td>
<td>Chapters 1 and 2</td>
<td></td>
<td>None</td>
</tr>
<tr>
<td>[2] 28 July</td>
<td>Accounting for share capital and reserves; accounting for liabilities</td>
<td>Chapters 13 and 10</td>
<td>(Allocation of tutorial presentations) The Australian accounting environment (Start group formation)</td>
<td>None</td>
</tr>
<tr>
<td>[3] 4 Aug</td>
<td>Accounting for leases</td>
<td>Chapter 11</td>
<td>Accounting for share capital and reserves; accounting for liabilities</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>[4] 11 Aug</td>
<td>Accounting for income taxes (1)</td>
<td>Chapter 18</td>
<td>(Formation of groups for assignment) Accounting for leases</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>[5] 18 Aug</td>
<td>Accounting for income taxes (2) Review of accounting for assets and depreciation of PPE</td>
<td>Chapters 4 and 5</td>
<td>Accounting for income taxes (1)</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>[6] 25 Aug</td>
<td>Revaluation and impairment testing of non-current assets; accounting for intangibles</td>
<td>Chapters 6 and 8</td>
<td>Accounting for income taxes (2) Review of accounting for assets and depreciation of PPE</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>[7] 1 Sept</td>
<td>No lectures</td>
<td></td>
<td></td>
<td>Mid-semester examination</td>
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Mid semester teaching break – Saturday 6 September to Sunday 21 September

<table>
<thead>
<tr>
<th>Week beginning</th>
<th>Lecture Topic</th>
<th>Readings (Deegan 7E)</th>
<th>Tutorial topic</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>[8] 22 Sept</td>
<td>Accounting for group structures</td>
<td>Chap. 27</td>
<td>Revaluation and impairment testing of non-current assets; accounting for intangibles</td>
<td>Assignment; presentation, quiz</td>
</tr>
<tr>
<td>[9] 29 Sept</td>
<td>Accounting for intra-group transactions</td>
<td>Chap. 28</td>
<td>Accounting for group structures</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>Public Holiday: Mon 29th</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[10] 6 Oct</td>
<td>Accounting for non-controlling interests</td>
<td>Chap. 29</td>
<td>Accounting for intra-group transactions</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>Public Holiday: Mon 6th</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[12] 20 Oct</td>
<td>Corporate reporting and disclosures</td>
<td>Chap.16, 23 and 25</td>
<td>Accounting for equity investments</td>
<td>Presentation, quiz</td>
</tr>
<tr>
<td>Week beginning</td>
<td>Lecture Topic</td>
<td>Readings (Deegan 7E)</td>
<td>Tutorial topic (Tutorial questions are available on the Wattle)</td>
<td>Assessment</td>
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<tr>
<td>Semester 2 examination period – Thursday 6 November to Saturday 22 November</td>
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**COURSE ASSESSMENT**

**Assessment Summary**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description and details of assessment</th>
<th>Weighting (%)</th>
<th>Due Date</th>
<th>Linked to Learning Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tutorial presentations</td>
<td>Two presentations of solutions to tutorial questions (2.5% each)</td>
<td>5</td>
<td>During weekly tutorial</td>
<td>Outcomes 1 to 9</td>
</tr>
<tr>
<td>Tutorial quizzes</td>
<td>10 quizzes from Week 3 to Week 13 (1% each); 5 multiple choice questions in each quiz</td>
<td>10</td>
<td>Last 10 minutes at the end of each tutorial</td>
<td>Outcomes 1 to 9</td>
</tr>
<tr>
<td>Mid-semester examination</td>
<td>Closed book exam covering lecture topics up to and including Week 5 lectures</td>
<td>20</td>
<td>Week 7</td>
<td>Outcomes 1 to 5</td>
</tr>
<tr>
<td>Group assignment</td>
<td>Examination of information about taxes in corporate financial reports and completion of a research report</td>
<td>15</td>
<td>Week 8 Monday by 5pm</td>
<td>Outcome 4</td>
</tr>
<tr>
<td>Final examination</td>
<td>Closed book exam covering all lecture topics</td>
<td>50</td>
<td>Semester 2 examination period in November</td>
<td>Outcomes 1 to 9</td>
</tr>
</tbody>
</table>

**Assessment Task 1: Tutorial Presentations (5%)**

**Details of task:** This item is assessed on an individual basis. In the first tutorial in Week 2, each of you is randomly assigned to present the solutions to tutorial questions in two tutorials; e.g., Week 3 and Week 9, Week 4 and Week 10, etc. You should prepare to present the solutions to all tutorial questions for the week assigned. However, normally you are only asked by your tutor to present the solutions to one or two tutorial questions, because there are two or more students presenting in each tutorial. The tutor will announce who is to present the answer to which question at the beginning of each tutorial. Each presentation is marked out of 100 and is worth 2.5% of the assessment (a total of 5% for the two tutorial presentations). Presentation marks are based on the following factors:

- Demonstrated understanding of the tutorials questions and solutions (40%);
- Ability to clearly present the solutions and answer questions raised by the class or the tutor (20%);
- Use of PowerPoint slides, diagrams, etc. to get the ideas across effectively (20%);
- Evidence of further research (e.g., presenting additional details – please cite the source) beyond the materials in the textbook or provided by the lecturer (20%).
If you prepare PowerPoint slides, your tutor will help you to project the slides on the screen for use in the tutorial. Please send the PowerPoint file to your tutor by email (i.e., as an email attachment) by 5pm on Tuesday of the week you are assigned to present, and use ‘week x day time your name’ (e.g., Week 8 Thu 5pm Tracy Smith) as the file name. You can also draw diagrams, etc. on the whiteboard to help get the ideas across effectively in your presentation. If you want to provide an electronic copy (preferred) or hard copy of diagrams, etc. to your tutor to help assess your presentation, please do so by 5pm on Tuesday.

**Assessment Task 2: Tutorial Quizzes (10%)**

**Details of task:** There will be a tutorial quiz in the last 10 minutes of each tutorial from Week 3 to Week 13 (10 quizzes in total). Each tutorial quiz consists of five multiple choice questions with four or five choices each. Two marks are awarded for a correct answer, and zero marks for an incorrect answer, to each question. The maximum score per quiz is 10, and the maximum total score over 10 quizzes is 100.

**Rules for tutorial quizzes:**
- The quizzes are closed book examinations: you cannot refer to books and notes, and cannot use any electronic devices other than a non-programmable calculator.
- Examination conditions apply during the quiz: you are not allowed to communicate with each other in any form.
- You cannot share calculator and stationery with others – each student must bring their own.
- You are not allowed to look around at others’ work.
- Failing to observe these rules will be regarded as misconduct in examination, and will receive a zero mark for the quiz.
- The tutor may ask you to move to another seat, if necessary.
- Make sure that only one alphabet (A or B or…) is clearly written in the answer box.
- The tutor will keep a record of tutorial attendance, and will control the number of quiz papers issued and returned for each tutorial class.

If you miss a tutorial occasionally for a good reason (e.g., due to illness – a medical certificate may be required), please attend another tutorial in the same week, inform the tutor of your presence, and attempt the quiz. As a last resort, make an appointment with your tutor for a make-up quiz in her or his office before Wednesday of the following week.

**Assessment Task 3: Assignment (15%)**

You will be required to form groups of three students each by Week 4 to prepare and submit the assignment. The assignment will require you to examine the information about taxes disclosed in the financial reports of a few companies, apply what you learn in accounting for income taxes and write a research report (about 3,000 words) comparing their effective tax rates, temporary and permanent differences, etc. Details of the assignment and marking criteria will be announced in a lecture by Week 3 and will be provided on the Wattle course site. This assignment is assessed on a group basis.

**The due date for submission of the assignment is Monday, 22 September, by 5pm.**

**Assignment Submission**
The assignment should be word-processed and is submitted using the course Wattle site. Submitted assignments must include the cover sheet provided on Wattle. Please keep a copy of the assignment for your records.

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University’s approach to managing Academic Integrity. For additional information regarding Turnitin please visit ANU Online.
Extensions and Penalties
All requests for extensions to the submission deadline should be directed to the Course Convener.

Non-submission of the assignment will preclude you from qualifying for a supplementary or further examination.

Late assignments will attract a penalty in increments of 10% of the awarded mark, per day, for the first five (5) days. Assignments that are six (6) or more days late will receive a mark of zero.

Returning Assignment, etc
During the teaching periods, marked tutorial quizzes and assignment will be handed back in tutorials. At the end of the semester, students should follow the tutor’s instructions regarding collection of marked tutorial quizzes and assignment. After this, quizzes and assignments will be available for collection from the School Office.

Examinations

Assessment Task 4: Mid-semester Examination (20%)
The mid-semester examination will be held in Week 7, covering materials up to and including the lecture topic for Week 5 (and the tutorial topic for Week 6). This examination is closed book and is worth 20% of the assessment (not redeemable). The examination date, time and venue will be scheduled by the Examinations Office.

Assessment Task 5: Final Examination (50%)
The final examination will be held in the semester 2 examination period in November, covering all lecture topics. This examination is closed book and is worth 50% of the assessment. The examination date, time and venue will be scheduled by the Examinations Office.

Scaling
Your final mark for the course will be based on the raw marks awarded for each assessment item or examination. However, your final mark may not be the same number as produced by that formula, as marks may be scaled. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed or equal the scaled mark of that student), and may be either up or down.

READING LISTS

Prescribed Text

The prescribed text is available at the Co-op bookshop on campus.

Recommended Reading
CPA Australia, Accounting Handbook 2014, Pearson; or
ICAA, Financial Reporting Handbook 2014, John Wiley; or

Course-related Materials

Websites pertaining to company regulations recommended for further reading and information:

- The Australian Accounting Standards Board (AASB): http://www.aasb.gov.au
- CPA Australia: www.cpaaustralia.com.au

TUTORIAL REGISTRATION

Tutorial signup for this course will be done via the Wattle website. Detailed information about signup times will be provided on Wattle or during your first lecture. When tutorials are available for enrolment, follow these steps:

1. Log on to Wattle, and go to the course site.
2. Click on the link “Tutorial signup here”.
3. On the right of the screen, click on the tab “Become Member of …..” for the tutorial class you wish to enter.
4. Confirm your choice.

If you need to change your enrolment, you will be able to do so by clicking on the tab “Leave group…” and then re-enrol in another group. You will not be able to enrol in groups that have reached their maximum number. Please note that enrolment in ISIS must be finalised for you to have access to Wattle.

COMMUNICATION

Email is the preferred way of communication between the lecturer, tutors and students.

Email
If necessary, the lecturer and tutors for this course will contact students on their official ANU student email address. Information about your enrolment and fees from the Registrar and Student Services’ office will also be sent to this email address.

Announcements
Students are expected to check the Wattle site for announcements about this course, e.g. changes to timetables or notifications of cancellations. Notifications of emergency cancellations of lectures or tutorials will be posted on the door of the relevant room.
**Course URLs**
More information about this course may be found on:


- College of Business and Economics website ([http://www.cbe.anu.edu.au/students/student-information/college-courses/](http://www.cbe.anu.edu.au/students/student-information/college-courses/)) and

- Wattle ([https://wattle.anu.edu.au](https://wattle.anu.edu.au)), the University’s online learning environment. Log on to Wattle using your student number and your ISIS password.

**POLICIES**
The University offers a number of support services for students. Information on these is available online from [http://students.anu.edu.au/studentlife/](http://students.anu.edu.au/studentlife/)

ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University’s academic standards, and implement them. You can find the University’s education policies and an explanatory glossary at: [http://policies.anu.edu.au/](http://policies.anu.edu.au/)

Students are expected to have read the **Student Academic Integrity** Policy before the commencement of their course.

Other key policies include:

- Student Assessment (Coursework)
- Student Surveys and Evaluations