THE UNIVERSITY OF NEW SOUTH WALES

SCHOOL OF ACCOUNTING

ACCT 1511
ACCOUNTING AND FINANCIAL MANAGEMENT 1B

Course Outline

Session 2, 2005

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1. INFORMATION ABOUT THE COURSE

OVERVIEW:

Accounting and Financial Management 1A (AFM1A) and 1B (AFM1B) are part of the integrated programme designed to give students an understanding of the ways in which financial information is generated within the organisation and the use for this information.

- AFM1A is concerned with the analysis and design of a financial accounting system which reflects the activities of an entity in the economic and legal environment, and attempts to meet the information needs of parties in the present institutional and regulatory environment. The assumptions and choices made in the design of such an accounting information system are explored.
- AFM1B builds on this introductory knowledge by showing ways in which accounting information systems can accommodate more complex events and provide additional reports. This course also considers analysis of financial statements by users, the use of accounting information by the management within the entity, and how decision-making processes can be influenced by social, ethical and other external environmental factors.

COURSE AIMS:

The main aims of this course are:

1. To extend the technical knowledge of financial reporting by examining cash flows and Cash Flow Statement.
2. To integrate and apply the technical knowledge of financial reporting in a wider context by:
    - Understanding the link between corporate governance and financial reporting;
    - Exploring issues and controversies associated with current corporate accounting practices – for example, what is the role of accounting regulation and professional ethics in financial reporting process? What are the choices available to management when preparing financial statements?
    - Learning how to analyse financial statements for decision-making and thus, understanding the role and implications of accounting in contemporary business and commercial environments.
3. To develop a basic understanding of the types of accounting information used by managers for decision-making.

RELATIONSHIP OF THIS COURSE TO OTHER COURSE OFFERINGS:

This course is offered by the School of Accounting and is a compulsory course for students doing accounting major, double major or disciplinary minor within the Bachelor of Commerce or Bachelor of Economics degrees. To enrol in this course, the following pre-requisites must have been satisfied – ACCT1501 Accounting and Financial Management 1A. This course also constitutes part of the core curriculum of studies required by CPA Australia and the Institute of Chartered Accountants in Australia.

UNITS OF CREDIT:

ACCT 1511 Accounting and Financial Management 1B has a total of 6 units of credit.

STUDENT LEARNING OUTCOMES:

Content-based Learning Outcomes:

As a result of satisfactorily completing this course, you should be able to:

1. Understand the language of accounting and financial reporting;
2. Understand the relationship between components of financial reporting. Specifically:
    a. knowing how to prepare a Cash Flow Statement, its uses and its relations to Balance Sheet and Income Statement;
    b. knowing how to analyse the financial statements at the basic level to gauge a company's performance for decision making purposes;
    c. to be aware that the production of accounting information can be influenced by GAAP, regulatory bodies, corporate governance mechanisms and, social and ethical factors.
3. Understand the basic concepts and ideas of accounting information for managers;
4. Become familiar with the financial media and it's reporting of the public discussion of accounting issues and reporting of financial results of companies.

Desired Skills-based Outcomes:

As a result of satisfactorily completing this course, you should have the opportunity to:

1. Learn independently and to assume responsibility for the learning process;
2. Show basic technical competence in recording economic events in the accounting system;
3. Possess a critical understanding of key technical terms and concepts so as to interpret accounting information and reports in the financial press; and
4. Be familiar with the institutional structures that affect accounting practice.

APPROACH TO TEACHING AND LEARNING:

At university, the focus is on your self-directed search for knowledge. Lectures, tutorials, textbooks, exams and other resources are all provided to help you learn. You are therefore required to attend all lectures and tutorials, and read all required readings in order to fully grasp and appreciate the concepts of AFM1B.

It is up to you to choose how much work you do in each part of the course: preparing for classes; completing assignments; studying for exams; and seeking assistance or extra work to extend and clarify your understanding. You must choose an approach that best suits your learning style and goals in this course. Tutorial questions are provided to guide your learning process.

1. Lectures

Students are expected to attend two 1-hour lectures each week.

Lecture A	Tue	10:00 – 11:00	Keith Burrows Theatre
Lecture A	Wed	10:00 – 11:00	Sir John Clancy Auditorium
or			
Lecture B	Wed	13:00 – 14:00	Central Lecture Building 7
Lecture B	Thu	13:00 – 14:00	Keith Burrows Theatre
or			
Lecture C	Wed	15:00 – 16:00	Keith Burrows Theatre
Lecture C	Thu	16:00 – 17:00	Keith Burrows Theatre
or			
Lecture D	Tue	18:00 – 20:00	Quad 1027

2. Tutorials

Students are also expected to attend one 1-hour tutorial each week (from Week 2). The list of all available tutorials is on the school notice-board located in QUAD Level 1 and on the school website – http://www.accounting.unsw.edu.au.

- Due to space limitations, please attend the tutorial in which you are enrolled. If, however, you are unable to attend your class due to illness or other extenuating circumstances, please attend another class to ensure that you do not miss the materials covered, and inform your tutor of the attendance in the following week.
- The Tutorial Programme relating to each topic is included in your Course Resource Kit and is also available on Course WebCT. The programme has two components:

Preparation questions:

Answers to these questions will be supplied on the Course WebCT in advance. Students are expected to attempt these questions and review the answers before answering *Homework Questions*.

Homework questions:

These questions focus on key issues relating to the topic and build on the knowledge gained through the *Preparation Questions*. They will form a major part of the discussions in tutorials and thus, you must bring answers to these questions to your tutorial.

At the end of each week, answers to all numerically based tutorial questions will be posted on the Course WebCT. **<u>Solutions to tutorial homework questions for weeks 4, 9 and 13 will be up on the WebCT in advance to facilitate quiz preparation.</u>** Discussion questions in the tutorial programme seek to encourage critical thinking and develop analytical skills, and these questions will be considered in detail during tutorials. Given that the answers to these questions are often subjective in nature, not all solutions to these discussion questions will be provided on the WebCT.

COURSE ASSESSMENT:

The composite mark for AFM1B will be calculated as follows:

Assessment Item – Due Date	Weight		Item Assesses Learning Outcome
Three Class Quizzes		20%	
Quiz 1 – Week 4	5%		1, 2a
Quiz 2 – Week 9	10%		1, 2c, 4
Quiz 3 – Week 13	5%		1, 3
Mid-session Exam – Week 7		25%	1, 2a, 2b
Final Exam		55%	1, 2a, 2b, 2c, 3, 4
Total		100 %	

Important note: The use of short hand and "SMS" language is not permissible in all assessable tasks in AFM1B. Students who need assistance with their writing skills are strongly advised to contact the Learning Centre or the Education Development Unit (EDU) as writing skills are taken into account when marking all assessments.

1. Class Quizzes (20%)

Class quizzes will be carried out during weeks 4, 9 and 13 tutorial classes. The aim of quizzes is to provide you with on-going feedback relating to your understanding and learning progress within the course. The quizzes will test technical skills learned in this course and also students' ability to apply their knowledge to different business contexts.

<u>Please note that students must attend their enrolled tutorial classes for the quizzes</u>. If you are unable to attend your tutorial class for medical reasons or other extenuating circumstances, you need to provide documentation to the lecturer-in-charge to have the final examination re-weighted. If you know in advance that you can't sit for the quiz in your tutorial, you must contact the lecturer-in-charge **<u>seven days in advance</u>** for alternative arrangements.

Class Quiz 1 – Week 4 (5%)

- Quiz 1 will be based on materials covered in weeks 1, 2 and 3 lectures, and will comprise short-answer questions, both quantitative and qualitative.
- It will be carried out in 15 minutes at the end of the tutorial classes in week 4.

Class Quiz 2 – Week 9 (10%)

- Quiz 2 will be based on materials covered in weeks 6 and 8 lectures, and will be qualitative in nature only.
- It will be carried out in 30 minutes at the end of the tutorial classes in week 9.

Class Quiz 3 – Week 13 (5%)

- Quiz 3 will be based on materials covered in weeks 11 and 12 lectures, and will comprise quantitative questions.
- It will be carried out in 15 minutes at the end of the tutorial classes in week 13.

2. Mid-session Examination – week 7 (25 %)

- The mid-session examination will be held in **Week 7, Friday, September 9** from 9:00 am to 1:00 pm at the **AJC Convention Centre (Upper and Lower Tea Houses) Royal Randwick Racecourse.** There will be two sittings – based on the students' surnames, arranged in alphabetical order. More details will be revealed in lectures and WebCT from Week 4 onwards. It is recommended that you arrive at the venue 15 minutes before the scheduled start.
- The exam will include topics covered in lectures and readings up to and including Week 5, and tutorials up to and including Week 6. The exam will comprise quantitative and qualitative questions, to be completed in **80 minutes**. There will be no multiple choice questions.
- Students who are unable to attend the exam for medical reasons, or other extenuating circumstances, are required to lodge a special consideration (see p.10) to have the opportunity to sit for a mid-session supplementary examination, which will be held on the same day as the final supplementary examination, that is, **<u>19 December, Monday 2005</u>** (see p.10).

3. Final Examination (55 %)

The final exam will be held during the formal examination period. Further details of this exam will be provided in Week 14's first lecture.

2. COURSE RESOURCES

TEACHING STAFF:

Staff	*Room*	*Phone*
Kar-Ming Chong (Lecturer-in-charge) Email: km.chong@unsw.edu.au	Quad 3114	9385-5916
Helen Kang (Lecturer) Email: helen.kang@unsw.edu.au	Quad 3127	9385-5824
Caitlin Ruddock (Lecturer) Email: c.ruddock@unsw.edu.au	Quad 3123	9385-5806
Peter Lam (Lecturer) Email: p.lam@unsw.edu.au	Quad 3118	9385-6081
Shrutika Chugh (Associate lecturer) Email: s.chugh@unsw.edu.au	Quad 3115	9385-5823
Andrew Jackson (Associate lecturer) Email: a.b.jackson@unsw.edu.au	Quad 3083	9385-5909
Gordon Howitt (PASS Scheme Co-ordinator) Email: g.howitt@unsw.edu.au	Quad 3119	9385-5911

CONSULTATION HOURS:

- AFM1B staff is available for consultation at specified hours (during teaching weeks only) or by appointment. Consultation hours will be displayed on each staff member's door and on the Course WebCT from Week 2 onwards.
- Problems should be directed at first instance to your tutor, either during class, or in the tutor's consultation time (or at a mutually agreed appointment time). Students can approach other staff during their consultation times.
- First preference will be given to students attending the staff member's office during nominated consultation times, with second preference given to any phone calls during consultation times, followed by e-mail inquiries (of administrative nature only). For e-mail enquiries of an academic nature, please send those enquiries to the "Discussion Forum" section in the Course WebCT.
- Please note that common written etiquette must be observed when writing to staff members, e.g., the proper use of salutations and sign-off, no short hand and "SMS" language. Otherwise, the offending emails will be ignored.

TEXTBOOKS AND OTHER REFERENCES:

It is recommended that you purchase the following from the UNSW Bookshop:

- Trotman, K. and Gibbins, M. (2003) *Financial Accounting: An Integrated Approach* (**including Management Accounting Supplement**), 2nd edition, Nelson Thomson Learning.
- *Course Resource Kit for AFM1B*, School of Accounting UNSW, 2005:

  This Kit comprises lecture and tutorial materials, additional readings for each week, as well as the past exam papers and suggested solutions for the past three sessions.

COURSE WEBSITE:

This Course uses WebCT that can be accessed via http://www.webct.unsw.edu.au. Please note that WebCT is an integral part of the Course and, as such, students are responsible for updating themselves on any information that appears on the Course WebCT (including news and issues in the Discussion Forum). Further, marks for all assessments will be available for viewing under "My Result".

During the session, you must:
- Provide a current, working email address;
- Check your assessment marks and inform any discrepancies or problems to the tutor; and,
- Update and download lecture notes, tutorial solutions and other additional materials.

Information to be provided on the Course WebCT includes:
- Course outline;
- PowerPoint lecture notes (which include course announcements made in lectures) will be posted on the WebCT after the lectures, at the end of each week;
- Brief solutions to tutorial questions;
- Assessment results;
- Contact and consultation details of staff; and,
- Course-related announcements and other administrative matters.

3. STUDENT RESPONSIBILTIES

CLASS PREPARATION AND PERFORMANCE:

It is a requirement of this course that all students attempt the assigned weekly readings and tutorial questions *prior* to attending class. The importance of adequate preparation prior to each tutorial including the completion of all tutorial preparation questions cannot be overemphasised, as the effectiveness and usefulness of the tutorial depends to a large extent on students' active participation during the tutorial.

It is recommended that you spend at least **10 hours per week** studying this course. This time should be made up of reading the textbook and additional materials, working on tutorial exercises and problems, and attending classes. In periods where you need to prepare for examinations, the workload may be greater. Over-commitment has been a cause of failure for many students. You should take the required workload into account when planning how to balance study with employment and other activities.

ATTENDANCE REQUIREMENT:

Your regular and punctual attendance at lectures and tutorials is expected in this course. University regulations indicate that if students attend less than 80% of scheduled classes they may be refused final assessment.

GENERAL CONDUCT AND BEHAVIOUR:

You are expected to conduct yourself with consideration and respect for the needs of your fellow students and teaching staff. Conduct which unduly disrupts or interferes with a class, such as ringing or talking on mobile phones, is not acceptable and students may be asked to leave the class. More information on student conduct is available at: www.my.unsw.edu.au

KEEPING INFORMED:

You should take note of all announcements made in lectures, tutorials or on the course web site. From time to time, the University will send important announcements to your university e-mail address without providing you with a paper copy. You will be deemed to have received this information. Specific announcements will also be made via WebCT.

SATISFACTORY PERFORMANCE:

To be eligible for a passing grade in this course, students must:

1. Achieve a composite mark of at least 50%; **and**
2. Satisfactorily complete all assessment tasks (or submit appropriate documentation relating to your failure to complete a task to the Lecturer-in-Charge); **and**
3. Achieve a satisfactory level of performance in the final exam. This usually means a minimum mark of 50%. Any student having an overall mark of 50 or more but less than 50% in the final examination will be given an UF grade (unsatisfactory fail) or be asked to sit a supplementary final exam, depending on the individual's circumstances.

A "Pass Conceded" (PC) may only be granted by the Faculty of Commerce and Economics Assessment Committee, and not the Head of School or the Lecturer-in-Charge of this course.

SPECIAL CONSIDERATION:

The School of Accounting follows the UNSW policy and process for Special Consideration (see https://my.unsw.edu.au/student/atoz/SpecialConsideration.html). Specifically:

- Applications for special consideration (including supplementary examinations) must go through **UNSW Central administration** (within 3 working days of the assessment to which it refers) – applications will **not** be accepted by staff in the School of Accounting;
- Applying for special consideration does **not** automatically mean that you will be granted additional assessment or that you will be awarded an amended result;
- If you are making an application for special consideration (through UNSW Central Administration) please send details of your special consideration application to the lecturer in charge;
- If a supplementary exam is approved, there is only **one** opportunity to sit the exam. No other opportunities to sit the supplementary exam will be offered. It is the responsibility of students who apply for special consideration to be available to sit the exam on this day. Having "holiday plans" or "being away overseas" is not an acceptable reason for unavailability on the day of the supplementary exam. The preliminary supplementary exam date for AFM1B is **19 December, Monday 2005**.
- Candidates who are granted a supplementary exam for AFM1B will be advised at least seven days prior to the exam. All communications from the University will be sent to the **student's official email address, i.e., student account**, except when arrangements are otherwise made. Please do not contact to the School Office.

ACADEMIC HONESTY AND PLAGIARISM:

The University regards plagiarism as a form of academic misconduct, and has very strict rules regarding plagiarism. For full information regarding policies, penalties and information to help you avoid plagiarism see: http://www.lc.unsw.edu.au/plagiarism/index.html

Plagiarism is the presentation of the thoughts or work of another as one's own.* Examples include:

- direct duplication of the thoughts or work of another, including by copying work, or knowingly permitting it to be copied. This includes copying material, ideas or concepts from a book, article, report or other written document (whether published or unpublished), composition, artwork, design, drawing, circuitry, computer program or software, web site, Internet, other electronic resource, or another person's assignment without appropriate acknowledgement;
- paraphrasing another person's work with very minor changes keeping the meaning, form and/or progression of ideas of the original;
- piecing together sections of the work of others into a new whole;
- presenting an assessment item as independent work when it has been produced in whole or part in collusion with other people, for example, another student or a tutor; and,
- claiming credit for a proportion a work contributed to a group assessment item that is greater than that actually contributed.†

Submitting an assessment item that has already been submitted for academic credit elsewhere may also be considered plagiarism.

The inclusion of the thoughts or work of another with attribution appropriate to the academic discipline does *not* amount to plagiarism.

Students are reminded of their Rights and Responsibilities in respect of plagiarism, as set out in the University Undergraduate and Postgraduate Handbooks, and are encouraged to seek advice from academic staff whenever necessary to ensure they avoid plagiarism in all its forms.

The Learning Centre website is the central University online resource for staff and student information on plagiarism and academic honesty. It can be located at:

www.lc.unsw.edu.au/plagiarism

The Learning Centre also provides substantial educational written materials, workshops, and tutorials to aid students, for example, in:

- correct referencing practices;
- paraphrasing, summarising, essay writing, and time management;
- appropriate use of, and attribution for, a range of materials including text, images, formulae and concepts.

Individual assistance is available on request from The Learning Centre.

Students are also reminded that careful time management is an important part of study and one of the identified causes of plagiarism is poor time management. Students should allow sufficient time for research, drafting, and the proper referencing of sources in preparing all assessment items.

* Based on that proposed to the University of Newcastle by the St James Ethics Centre. Used with kind permission from the University of Newcastle

† Adapted with kind permission from the University of Melbourne.

SUPPORT INFRASTRUCTURE:

The University and the Faculty provide a wide range of support services for students, including:

- Learning and study support;
- Counselling support;
- Library training and support services;
- Disability support services;

In addition, it is important that all students are familiar with policies and procedures in relation to such issues as:

- Examination procedures and advice concerning illness or misadventure;
- Special Consideration including Supplementary Examinations;
- Occupational Health and Safety policies and expectations;

For information and links relating to the above services and policies, please refer to the School of Accounting website.

Peer Assistance Support Scheme (PASS)

- PASS operating in AFM1A and AFM1B involves second and third year students, who have done well in their previous studies, helping groups of new students to succeed with their studies and adjust to life at university.
- This scheme will operate in Session 2, 2005 and will commence in Week 3 of session.
- This is a **voluntary** scheme and academic staff responsible for assessment will not be made aware of whether or not you wish to participate.
- PASS will give you an opportunity to discuss specific questions and concepts that you encountered in tutorials and lectures with a group of fellow students and two PASS leaders. You will also have an opportunity to discuss more general areas of concern for first year students. Past experience suggests that the scheme has had a positive effect on students' grades. It can also lead to improved progress in other subjects by enhancing your skills.
- It is important to note that PASS sessions are **not** additional tutorials. Rather, they represent an opportunity to discuss issues of concern in an environment different from that of lectures and tutorials.
- Involvement in PASS requires a commitment on your behalf to attend your group each week. That is, you cannot simply attend when it suits you. Nor is it possible for you to move between groups. Therefore, your selection of a group should be made after considering your other commitments.
- A separate sheet outlining the way in which you can sign up for a PASS group will be distributed in the lecture.

Week	Topic		Lecturer
	INTRODUCTION & ACCRUAL CONCEPTS IN ACCOUNTING		
1	*1*	Overview of AFM1B	Kar Ming Chong
25 July	*2*	Accrual concepts in accounting	Kar Ming Chong
	CASH FLOW STATEMENTS		
2	*3*	Introduction and direct method	Peter Lam
1 August	*4*	Direct method	Peter Lam
3	*5*	Indirect method	Peter Lam
8 August	*6*	Decision usefulness of cash flow data	Peter Lam
	FINANCIAL STATEMENT ANALYSIS (FSA)		
4	*7*	Introduction to FSA (1)	Peter Lam
15 August	*8*	Introduction to FSA (2)	Peter Lam
	Class quiz 1 in tutorials		
5	*9*	Integrative FSA (1)	Peter Lam
22 August	*10*	Integrative FSA (2)	Peter Lam
	FINANCIAL REPORTING FRAMEWORK (1)		
6	*11*	Accounting regulation	Caitlin Ruddock
29 August	*12*	Accounting policy choices	Caitlin Ruddock
7 *5 September*	***Mid-session exam on Friday 9th September*** ***(No tutorials and no lectures)***		
	FINANCIAL REPORTING FRAMEWORK (2)		
8	*13*	Role of accounting information	Caitlin Ruddock
12 September	*14*	Professional ethics	Caitlin Ruddock
	FINANCIAL REPORTING FRAMEWORK (3)		
9	*15*	Corporate governance	Caitlin Ruddock
19 September	*16*	Corporate governance	Caitlin Ruddock
	Class quiz 2 in tutorials		
	Mid-session break from 26 September until 2 October		
	MANAGEMENT ACCOUNTING		
10	*17*	Introduction to management accounting	Helen Kang
3 October	*18*	Cost concepts	Helen Kang
11	*19*	Cost behaviour and CVP analysis (1)	Helen Kang
10 October	*20*	Cost behaviour and CVP analysis (2)	Helen Kang
12	*21*	Costing systems (1)	Helen Kang
17 October	*22*	Costing systems (2)	Helen Kang
13	*23*	Budgeting for planning and control (1)	Helen Kang
24 October	*24*	Budgeting for planning and control (2)	Helen Kang
	Class quiz 3 in tutorials		
	COURSE REVIEW		
14	*25*	Subject review and evaluation	Kar Ming Chong
31 October	*26*	No lecture	