THE UNIVERSITY OF
NEW SOUTH WALES

Faculty of Commerce and Economics

School of Accounting

ACCT 1511

Accounting and Financial Management 1B

(AFM1B)

Course Outline

Session 2, 2006

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1. INFORMATION ABOUT THE COURSE

1.1 OVERVIEW

Accounting and Financial Management 1A (AFM1A) and 1B (AFM1B) are part of the integrated first-year accounting programme designed to give students an understanding of the ways in which financial information is generated within the corporation and the uses of 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 the 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.

1.2 COURSE AIMS

The main aims of this course are:

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

1.3 RELATIONSHIP OF THIS COURSE TO OTHER COURSES

This Course is offered by the School of Accounting and is a compulsory Course for students doing an accounting major, a double major or a disciplinary minor within the Bachelor of Commerce or Bachelor of Economics degrees. To enrol in this Course, the following pre-requisite must have been satisfied – ACCT1501: Accounting and Financial Management 1A.

This Course is also a part of the core curriculum of studies required by CPA Australia and the Institute of Chartered Accountants in Australia (ICAA).

1.4 UNITS OF CREDIT

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

1.5 STUDENT LEARNING OUTCOMES

1.5.1 Content-based Learning Outcomes (LO):

By the end of this Course, you should be able to:

LO1. Understand the language of accounting and financial reporting;

LO2. Understand the relationship between components of financial reporting. Specifically, you should:

- **a.** know different types of cash flows;
- **b.** know how to prepare a Cash Flow Statement, its uses and its relations to the Balance Sheet and Income Statement;
- **c.** know how to analyse the financial statements at the basic level to gauge a company's performance for decision making purposes; and,
- **d.** be aware that the production of accounting information can be influenced by GAAP, policy choices, and ethical factors.

LO3. Understand the basic concepts and ideas of accounting information for managers;

LO4. Become familiar with the financial media and its reporting of the public discussion regarding accounting issues and the financial results of companies.

1.5.2 Desired Skills-based Outcomes:

By the end of this course, you should have had 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 external factors that affect accounting practice.

1.6 APPROACH TO TEACHING AND LEARNING

Within the university environment, the focus is on your self-directed search for knowledge. Lectures, tutorials, textbooks, exams and other resources are all provided to help you learn and develop relevant new skills. You are therefore required to attend all lectures and tutorials, and read all prescribed 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, 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.

1.6.1 Lectures

Students are expected to attend one of the following four Lecture Streams (comprising two 1-hour lectures) each week.

Lecture Stream A	Tue	10:00 – 11:00	Keith Burrows Theatre
	Wed	10:00 – 11:00	Sir John Clancy Auditorium
Lecture Stream B	Wed	1:00 – 2:00	CLB 7
	Thu	1:00 – 2:00	Keith Burrows Theatre
Lecture Stream C	Wed	3:00 – 4:00	Keith Burrows Theatre
	Thu	4:00 – 5:00	Keith Burrows Theatre
Lecture Stream D	Tue	6:00 – 8:00	Mathews Theatre B

PLEASE BE CONSIDERATE TO OTHER STUDENTS AND THE LECTURER

- Note that lectures are scheduled to start on the hour – you must be in the lecture theatre on time.
- Mobile phones must be turned off before entering the lecture theatre.
- Lectures are not to be used as a social gathering! Once you are in the lecture theatre, it is expected that you **listen** to the lecturer and make notes.

1.6.2 Tutorials

Students are also expected to attend one 1-hour tutorial each week (from Week 2). You must enrol in a tutorial via http://my.unsw.edu.au website.

- 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.

- Please note that you **must** attend your tutorial for class quizzes and homework preparation components of your assessment (see pp. 6 – 7 for details).
- The Tutorial Programme relating to each topic is included in your Course Resource Kit and is also available on the 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 homework questions will be posted on the Course WebCT. **Solutions to homework questions for weeks 5 and 12 will be up on the WebCT in advance to facilitate quiz preparation.** 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.

1.7 COURSE ASSESSMENT:

The final composite mark for AFM1B will be calculated as follows:

Assessment Item – Due Date	Weight	Learning Outcomes Being Assessed
Quiz 1 – Week 5	10%	LO1, LO2a
Mid-session Exam – Week 8	20%	LO1, LO2a, LO2b
Quiz 2 – Week 12	10%	LO1, LO3
Homework preparation (best 2 out of the 3 reviews throughout the session)	5%	All
Final Exam	55%	All
Total	**100 %**	

Important note: The use of short hand and “SMS” language is not permitted in all assessment 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 (see page 14 for contact details).

1.8 SATISFACTORY PERFORMANCE:

In order to pass this course, you must satisfy all of the following criteria:

1. Achieve an overall 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).

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

1.9 ASSESSMENT OUTLINE

1.9.1 Class Quizzes (20%)

Class quizzes will be carried out during weeks 5 and 12 tutorial classes. The aim of these quizzes is to provide you with an on-going feedback relating to your understanding and learning progress within the course. The quizzes will test technical skills gained in this course, as well as your ability to apply the 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 as soon as possible to the Lecturer-In-Charge, Helen Kang. 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 (7) days in advance</u>** for alternative arrangements.

Class Quiz 1 – Week 5 (10%)

- Quiz 1 will be based on materials covered in **weeks 1 to 4 lectures.**
- It will be carried out in 30 minutes in the week 5 tutorial classes.

Class Quiz 2 – Week 12 (10%)

- Quiz 2 will be based on materials covered in **weeks 9 to 11 lectures.**
- It will be carried out in 30 minutes in the week 12 tutorial classes.

1.9.2 Mid-session Examination – week 8 (20 %)

- The mid-session examination will be held in **Monday 11th September** between **4.30 pm** and **8:30pm** (two sittings) at the Squarehouse and the Roundhouse. It is recommended that you arrive at the venue 15 minutes before the scheduled start. More information will be distributed during the session.
- The exam may include topics covered in lectures and readings up to and including Week 6, and tutorials up to and including Week 7. The exam will comprise quantitative and qualitative questions, to be completed in **60 minutes**.

- Students who are unable to attend the exam for medical reasons, or other extenuating circumstances, are required to lodge a special consideration 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 – **Friday 15th December 2006** (see page 11 for more information).

1.9.3 Homework preparation (5%)

In order to encourage students to prepare for tutorial classes each week, your tutor will choose **3 random weeks** to review your written answers to the assigned tutorial **homework** questions (**not** tutorial preparation questions) **at the beginning of the tutorial class**. Your final homework preparation mark will comprise the best 2 reviews. Each review is worth the maximum of 2 marks. While the answers need not be 100% correct to receive full marks, you are expected to make a significant attempt at all of the homework questions to receive 2 marks. For example, copying the question onto your notebook constitutes neither significant nor reasonable attempt.

Marking guideline:	
Mark	
2	Significant attempt at all of the homework questions
1	Reasonable attempt at all of the homework questions
0	Insignificant or no attempt or absent from class

Please note that:

- Your homework will only be reviewed in your enrolled tutorials. That is, you cannot attend another tutorial and ask the other tutor to review your work.
- If you're absent from the tutorial on the week of review due to extenuating circumstances, you need to provide documentation (i.e. medical certificate or documentation outlining other extenuating circumstances) for your absence to your tutor. Depending on your attendance record, your tutor may review your work at some other week during the semester.

1.9.4 Final Examination (55%)

The final examination 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

2.1 TEACHING STAFF

Staff	***Room***	***Phone***
Helen Kang (Lecturer-In-Charge) Email: helen.kang@unsw.edu.au	QUAD 3127	9385 5824
Nicole Ang (Lecturer) Email: n.ang@unsw.edu.au	QUAD 3097	9385 5832
Peter Lam (Lecturer) Email: p.lam@unsw.edu.au	QUAD 3118	9385 6081
Leon Wong (Lecturer) Email: leon.wong@unsw.edu.au	QUAD 3117	9385 5810
Brian Burfitt (Associate Lecturer) Email: b.burfitt@unsw.edu.au	QUAD 3081	9385 5807
Shrutika Chugh (Associate Lecturer) Email: s.chugh@unsw.edu.au	QUAD 3115	9385 5823
PASS Co-ordinator		
Andrew Jackson (Lecturer) Email: a.b.jackson@unsw.edu.au	QUAD 3083	9385 5909

Other Teaching staff to be advised

2.2 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 academic nature, please send those enquiries to the "Discussion Forum" section in the Course WebCT.

- Please note that common writing etiquette must be observed when writing to staff members. For example, you should **identify** yourself by **name** and **student number**, and use the proper salutations and sign-offs. Short-hand and "SMS" language should **not** be used in emails – please beware that such emails will be ignored by AFM1B staff. We also recommend the use of your "official" email address when corresponding with AFM1B staff – that is, z(student number)@student.unsw.edu.au (refer to Section 2.4 for further details).

2.3 TEXTBOOKS AND OTHER REFERENCES

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

- Trotman, K. and Gibbins, M. (2005) *Financial Accounting: An Integrated Approach* (**including Management Accounting Supplement**), 3rd edition, Nelson Thomson Learning.

You should have a copy of this textbook since it was used in AFM1A previously.

- *Course Resource Kit for AFM1B*, School of Accounting UNSW Session 2, 2006:

  This Kit comprises lecture and tutorial materials, additional readings (if any) for each week, as well as the relevant past exam papers and suggested solutions.

2.4 COURSE WEBSITE

This Course uses WebCT Vista that can be accessed via http://vista.elearning.unsw.edu.au. This is a new on-line learning support for students and you can access the "Getting Started Guide for Students" from the following website: http://support.vista.elearning.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. Further, marks for all assessments will be available for viewing under "**My Grades**".

During the session, you must:

- Maintain the official student email address;
- Check your assessment marks and inform any discrepancies or problems to your tutor; and,
- Update and download lecture notes, tutorial solutions and other additional materials.

Information to be provided on the Course WebCT may include:

- 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 unless advised otherwise;
- Brief solutions to tutorial questions;
- Assessment results;
- Contact and consultation details of staff; and,
- Course-related announcements and other administrative matters.

3. STUDENT RESPONSIBILTIES

3.1 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 questions cannot be over-emphasised, 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.

3.2 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.

3.3 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

3.4 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.

3.5 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). In particular:

3.5.1 Applications for special considerations regarding assessments, worth more than 20% of the total assessment, must go through **UNSW Student Central** (within 3 working days of the assessment to which it refers). The application form is available from the website above. When making a formal application for special consideration through UNSW Student Central, you **must** also provide a copy of the application to the Lecturer-In-Charge, Helen Kang.

3.5.2 You should note that special consideration requests normally will not be considered:

- unless the application is made on the appropriate form to UNSW Student Central **and** a copy provided to the LIC;
- unless all the key information is provided;
- if more than 3 days have elapsed since the assessment for which consideration is sought;
- if the assessment task is worth less than 20% of the total course assessment unless the student can provide a Medical Certificate that covers 3 consecutive days.

3.5.3 Applying for special consideration does **not** automatically mean that you will be granted additional assessment or that you will be awarded an amended result.

3.5.4 **If** you are offered a supplementary exam, there is only **one** opportunity to sit the exam. No other assessments 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" and/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 **Friday 15th December 2006**.

3.5.5 Students who are granted a supplementary exam for AFM1B will be advised **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.

3.6 ACADEMIC HONESTY AND PLAGIARISM:

The University regards plagiarism as a form of serious 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.

3.7 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; and,
- Disability support;

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

- Examination procedures and advice concerning illness or misadventure;
- Special consideration and supplementary examinations;
- Occupational Health and Safety (OHS) policies and expectations;

For more information and links relating to the above services and policies, please refer to the School of Accounting website: www.accounting.unsw.edu.au.

3.7.1 Peer Assistance Support Scheme (PASS)

- PASS operating in AFM1A and AFM1B involves high-achieving third year students helping new accounting students to succeed with their studies and adjust to life at university.
- This scheme will operate in Session 2, 2006 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.
- You may attend any PASS class you wish at any time. Attendance will not be recorded.
- PASS will give you an opportunity to ask and 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. **Please note that there will not be any extra note handouts.**

4. SUMMARY OF LECTURE TOPICS

Week		Topic	Assessment
INTRODUCTION & ACCRUAL CONCEPTS IN ACCOUNTING			
1	*1*	Overview of AFM1B	
Helen Kang	*2*	Accrual Concepts – definition and recognition	
2	*3*	Measurement in Accounting (1)	
Leon Wong	*4*	Measurement in Accounting (2)	
CASH FLOW STATEMENTS			
3	*5*	Introduction	
Peter Lam	*6*	Direct method (1)	
4	*7*	Direct method (2)	
Peter Lam	*8*	Indirect method – reconciliation	
5	*9*	Decision usefulness of cash flow data	**Quiz 1**
Peter Lam	*10*	Workshop	
FINANCIAL STATEMENT ANALYSIS (FSA)			
6	*11*	FSA (1)	
Leon Wong	*12*	FSA (2)	
7	*13*	FSA (3)	
Leon Wong	*14*	Accounting Policy Choices	

8	**MID SESSION EXAM ON MONDAY 11TH SEPTEMBER** **No lectures or tutorials this week**

Week		Topic	Assessment
PROFESSIONAL ETHICS			
9	*15*	Professional Ethics and Accounting (1)	
Leon Wong	*16*	Professional Ethics and Accounting (2)	

Mid-session Break

Week		Topic	Assessment
MANAGEMENT ACCOUNTING			
10	*17*	Introduction to management accounting	
Nicole Ang	*18*	Cost concepts	
11	*19*	Cost behaviour and CVP analysis (1)	
Nicole Ang	*20*	Cost behaviour and CVP analysis (2)	
12	*21*	Costing systems (1)	**Quiz 2**
Nicole Ang	*22*	Costing systems (2)	
13	*23*	Budgeting for planning and control (1)	
Helen Kang	*24*	Budgeting for planning and control (2)	
COURSE REVIEW			
14	*25*	Subject review and evaluation	
Helen Kang			