



**HKU
BUSINESS
SCHOOL**
港大經管學院

**Advanced Financial Accounting
ACCT4104 Subclass C, D and E
Academic Year 2021 – 22 (2nd Semester)
Course Outline**

I. COURSE INFORMATION

Course Name: Advanced Financial Accounting

Course Code: ACCT4104 Subclass C, D and E

Prerequisite: Students MUST have passed ACCT3103.

Textbook: *Applying IFRS Standards*, by Picker, Clark, Dunn, Koltz, Livne, Loftus, van der Tas, 4th Edition (2016), Wiley.

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II. COURSE DESCRIPTION AND OBJECTIVES

Advanced Financial Accounting continues to address accounting theory and practice beyond the intermediate level and with an emphasis on business combinations, consolidation for simple business groups, foreign currency translations and related party disclosures. We aim to equip students with a deeper knowledge of the financial reporting environment with a global outlook. This course will look at the important techniques used by the accounting profession for the preparation of group accounts. Students will learn the various accounting procedures needed to prepare consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income. The course will also develop students' awareness of the controversial issues around consolidation accounting.

III. COURSE LEARNING OUTCOMES

COURSE LEARNING OUTCOMES (CLOs)

On completion of this course, students will be able to:

- CLO1.* Identify different kinds of business combinations and business group structures;
- CLO2.* Apply appropriate accounting procedures to consolidate group accounts accurately;
- CLO3.* Incorporate foreign currency translation in consolidation of financial statements of multinational companies;
- CLO4.* Describe the contemporary controversies in group accounting;
- CLO5.* Demonstrate sound communication skills with precise business language and good quality of leadership skills through team work.

ALIGNMENT OF COURSE LEARNING OUTCOMES WITH FACULTY LEARNING GOALS

Faculty Learning Goals	CLOs
1. Acquisition and internalization of knowledge of the programme discipline	CLOs 1,2,3,4
2. Application and integration of knowledge	CLOs 2,3,4
3. Inculcating professionalism	CLO 5
4. Developing global outlook	CLOs 3,4
5. Mastering communication skills	CLO 5
6. Cultivating leadership	CLO 5

IV. TEACHING AND LEARNING ACTIVITIES (TLAs)

TLA1. Interactive lectures

- **Lectures:** In-depth knowledge of advanced financial accounting is. The concepts and techniques are illustrated using practical examples. In order to follow the lectures closely, students are encouraged to work along with the lecturer on these examples.
- **In-class discussions:** Students are encouraged to raise questions, participate in discussions and share ideas with their peers. These discussions facilitate students to formulate their own opinion on controversial issues.

Major focus: CLOs 1, 2, 3, 4, 5.

TLA2. Weekly Tutorials

- **Weekly assignments:** students are required to complete assigned homework individually. Completing assignments is essential for students to better understand the concepts and techniques learned in class. The solutions of assignments will be discussed during the tutorials so that students are aware of the common mistakes.
- **Tutorial exercises:** another purpose of tutorials is to further develop students' ability to apply the knowledge learned from the lectures and the course textbook through more practices. Students are required to participate actively in the tutorial exercises and discussions.

Major focus: CLOs 1, 2, 3, 4, 5.

TLA3. Group project and outside-classroom activities

- **Group project:** Students are required to apply the knowledge learned from this course to analyze issues on business combinations. Group members are to meet, work together and contribute jointly to complete the project. Students are required to make a presentation to discuss certain important issues of the project. The issues have a broad coverage, including applications of accounting knowledge to real-life situations, discussions of controversial issues in standard setting, discussions of ethical issues, etc. This project aims to help students improve critical thinking abilities and research skills.
- **Instructor and tutor consultations:** The instructor and tutor will provide both face-to-face or online consultations to address students’ questions related to the course.

Major focus: CLOs 1, 2, 3, 4, 5.

V. STUDY LOAD

Course Teaching and Learning Activities	Expected Contact Hour	Study Load (% of study)
T&L1. Interactive Lectures	36	30%
T&L2. Weekly Tutorials	12	10%
T&L3. Group Project	24	20%
T&L4. Assignments and Self-study	48	40%
Total	120	100%

VI. ASSESSMENT TASKS (ATs) AND GRADING CRITERIA

Assignments	10%
Lecture and tutorial participation	5%
Group project	15%
Mid-term test	20%
Final exam	50%
<u>Total</u>	<u>100%</u>

AT1. Assignments (10%)

Students are required to complete selected assignments individually before tutorials. The assignments will be collected and graded by the tutor.

Grading Criteria

CLO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
CLOs 1,2,3	Submitted all assignments with more than 90% accuracy.	Submitted at least 80% of assignments with more than 80% accuracy.	Submitted at least 70% of assignments with more than 70% accuracy.	Submitted at least 60% of assignments with more than 60% accuracy.	Submitted less than 60% of assignments with less than 60% accuracy.

AT2. Lecture and Tutorial Participation (5%)

Students are expected to attend and participate actively in the course. Being absent from class will negatively affect students’ participation performance. Discussions will be held during lectures and tutorials. Each student will be evaluated on the quality as well as quantity of their participation by the lecturer and the tutor on an individual basis.

Grading Criteria

CLO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
CLOs 1,2,3, 4,5	Extremely well prepared for class discussion, active in sharing views and experience.	Partially prepared for class discussion, quite active in sharing views and experience.	Not well prepared for class discussion, limited active in sharing views and experience.	Not well prepared for class discussion, no sharing of views but limited sharing of experience.	Poorly prepared for class discussion and no sharing of views and experience.

AT3. Group Project (15%)

Students are required to form groups of 5 to 6 members each. The project aims to provide students an opportunity to apply their knowledge learned in this course to analyze issues in business combinations. Each group is responsible for giving an oral presentation. Other groups will also need to participate in the Q&A session and provide feedback to the presenting team. Details of the group project will be given in a separate document.

Major focus: CLOs **1, 2, 3, 4, 5**

Grading Criteria

Grade	Depth and breadth of coverage, critical elements, structure, language and conventions
A+,A, A-	<p>The presentation was highly successful at communicating the essential elements of the topic to the audience.</p> <p>Concepts were thoroughly explained and clarified.</p> <p>The presentation demonstrated deep understanding and comprehension of the topic.</p> <p>There was clear evidence of independent thought and reflection on the topic.</p> <p>The topic was covered in a highly professional and organized manner.</p> <p>The presenter displayed excellent verbal skills and delivered a highly interesting, coherent presentation at an appropriate level for the audience.</p>
B+, B, B-	<p>The presentation was successful at communicating the essential elements of the topic to the audience.</p> <p>Most concepts were well explained and clarified.</p> <p>The presentation demonstrated sound understanding and comprehension of most aspects of the topic.</p> <p>The topic was covered in a professional and organized manner.</p> <p>The presenter displayed good verbal skills and mostly delivered an interesting, coherent presentation at an appropriate level for the audience.</p>

C+, C, C-	<p>The presentation adequately communicated most of the essential elements of the topic to the audience.</p> <p>Most concepts were adequately explained.</p> <p>The presentation demonstrated good understanding and comprehension of most aspects of the topic.</p> <p>The topic was covered in an organized manner.</p> <p>The presenter displayed adequate verbal skills and delivered a mostly coherent presentation at an appropriate level for the audience.</p>
D+, D	<p>The presentation basically covered the main aspects of the topic.</p> <p>The presentation demonstrated basic understanding and comprehension of most of the topic.</p> <p>The topic was covered in a basic manner.</p> <p>The presenter displayed minimal standards of verbal skills and or coherence and organization.</p>
F	<p>The presentation was poorly addressed and or concepts were inadequately explained.</p> <p>The presentation did not demonstrate sufficient understanding and comprehension of the topic.</p> <p>The topic was not covered acceptably and or was poorly organized.</p> <p>Verbal skills were inadequate.</p>

AT4. Mid-Term Test (20%) and Final Exam (50%)

With the exception of extremely special cases, **NO MAKEUP** test will be allowed unless students have sought and received **ADVANCE** permission from the lecturer. The test will be held mid of the semester as part of the continuous assessments. Since this is an advanced course covering difficult consolidation concepts, students must put in timely and continuous effort throughout the semester in order to tackle the test and exam.

The final exam will be held in the normal examination period. It is a closed book comprehensive exam which covers all chapters and topics listed in Part VIII. The objective of the final exam is to further enhance students' understanding of the financial reporting concepts and theories and develop their ability to apply the knowledge in different business situations.

Grading Criteria

CLO	A+ A A-	B+ B B-	C+ C C-	D+ D	F
CLOs 1, 2, 3, 4, 5	Provided accurate solutions to all problems, gave detailed and insightful responses to all essay questions and scored correctly on more than 90% of the multiple choice questions	Provided accurate solutions to most problems, gave detailed responses to most essay questions and scored correctly on more than 80% of the multiple choice questions	Provided accurate solutions to some problems, gave limited responses to some essay questions and scored correctly on more than 70% of the multiple choice questions	Provided accurate solutions to a few problems, gave unclear responses to most essay questions and scored correctly on more than 60% of the multiple choice questions	Skipped some problems or provided inaccurate solutions to most problems, gave poor responses to most essay questions and scored correctly on less than 60% of the multiple choice questions

VII. ACADEMIC CONDUCT

- Plagiarism and copying of copyright materials are serious offences and may lead to disciplinary actions. You should read the chapters on “Plagiarism” and “Copyright” in the Undergraduate/Postgraduate Handbook for details. Students are strongly advised to read the booklet entitled “What is Plagiarism?” which is distributed upon admission to the University, a copy of which can be found at www.hku.hk/plagiarism. A booklet entitled “Plagiarism and How to Avoid it” is also available from the Main Library.
- Students are required to attend all classes and tutorials on time. Prior approval must be obtained from the instructor/tutor for absence and lateness.

VIII. COURSE SCHEDULE AND COVERAGE

Week	Course Coverage	Topics
1 – 2	Ch. 14	Business combinations
3	Ch. 20	Consolidation: controlled entities
4 – 5	Ch. 21	Consolidation: wholly owned subsidiaries
6	Ch. 22	Consolidation: intragroup transactions
7	Reading Week	
Mid-Term Test (Ch. 14, 20 and 21)		
8 – 9	Ch. 23	Consolidation: non-controlling interest
10	Online Ch. C Online Ch. D	Associates and joint ventures Joint arrangement (video lecture)
11	Ch. 24	Translation of the financial statements of foreign entities
12	Ch. 19	Related party disclosures
13	Group Presentations	
14	Group Presentations	
Final Exam (covers all topics except Online Ch. D)		

~ End ~