

Subject Code	AF5104
Subject Title	International Accounting
Credit Value	3
Level	5
Normal Duration	One Semester
Pre-requisite / Co-requisite/ Exclusion	None (Recommended Background Knowledge: Students should have taken courses in accounting at undergraduate level or equivalent, which cover basic knowledge in financial and managerial accounting.)
Role and Purposes	This subject aims to provide students with knowledge about international accounting issues. It contributes to the achievement of MSc in Accountancy Programme Outcomes by enabling students to <u>apply appropriate conceptual frameworks in the complex and diversified international dimensions of accounting.</u> (Outcome 3).
Subject Learning Outcomes	On successful completion of this subject, students will be able to: <ul style="list-style-type: none"> a. Evaluate the needs for convergence of accounting standards. b. Assess the impact of cross-country variation in accounting measurement and make a comparative analysis of different accounting systems. c. Critically evaluate and apply different approaches to various international financial reporting issues. d. Develop sound analytical abilities and critical thinking on accounting issues most relevant to multinational corporations.
Subject Synopsis/ Indicative Syllabus	<p>Global Environment of Accounting Environmental and cultural factors that influence national accounting systems and lead to accounting diversity. Magnitude of and problems caused by accounting diversity. Classifications of accounting regimes.</p> <p>International Convergence of Financial Reporting Reasons for and obstacles to convergence of financial reporting. The International Accounting Standard Board. The IASB's conceptual framework and standards. Convergence of IFRS and US GAAP. Examination of some major topics of financial reporting by comparing IFRS and US GAAP. Accounting principles and accounting practices in selected developed countries.</p> <p>Significant International Financial Accounting Issues in Reporting by Multinational Corporations Accounting for foreign currency transactions. Accounting for foreign operations. International approaches to segment reporting.</p> <p>Strategic Accounting Issues in Multinational Corporations Role of accounting in formulating and implementing multinational business strategy. Multinational capital budgeting. Performance evaluation within a multinational corporation.</p>

Teaching/Learning Methodology	Seminar-based teaching will be supplemented by case studies, articles and in-class discussion. Students will be encouraged to develop and apply their updated international accounting and related knowledge for decision-making through a combination of research, presentations, individual and group projects.					
Assessment Methods in Alignment with Intended Learning Outcomes	Assessment components include written accounting cases / problems in the coursework and the final examination. These assessment components require students to demonstrate their ability to analyze accounting issues and apply appropriate conceptual frameworks in the international dimensions of accounting.					
Specific assessment methods/tasks	% weighting	Intended subject learning outcomes be assessed (Please tick as appropriate)				
		a	b	c	d	
1. Class participation and discussion (Individual basis)	10%	✓	✓	✓	✓	
2. Assignment I & II (Individual basis)	20%	✓			✓	
3. Group Project – Presentation (Group & individual basis)	20%	✓				
4. Final Examination (closed book)	50%		✓	✓	✓	
Total	100 %					
<p>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <p>Participation – Students are encouraged to participate actively in discussion of international accounting issues and cases.</p> <p>Assignment I – Case(s) / problem(s) on evaluation of convergence of accounting standards.</p> <p>Assignment II – Case(s) / problem(s) on analysis of accounting issues relevant to multinational corporations.</p> <p>Group Project – Students are required to present a comparative international financial reporting and disclosure analysis.</p> <p>Final examination – 3 hours examination with problems/cases that students are required to analyze accounting issues and apply appropriate conceptual frameworks in the international dimensions of accounting.</p> <p>Note: To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Examination components. In addition, the specific requirements on individual</p>						

	assessment components discussed above could be adjusted based on the pedagogical needs of subject lecturers.	
Student Study Effort Expected	Class contact:	
	▪ Seminars	39 Hrs.
	Other student study effort:	
	▪ Depends on the background of the students, on average students are expected to spend around 2 more hours for each contact hour for reading, preparing discussion questions, assignments and group project.	78 Hrs.
	Total student study effort	117 Hrs.
Reading List and References	<p><u>Indicative Reading</u></p> <p>Books</p> <p>Nobes, C.W. and R.H. Parker, <i>Comparative International Accounting</i>, Latest Edition, Pearson Education Limited.</p> <p>Doupnik, T. and H. Perera, <i>International Accounting</i>, Latest Edition, McGraw-Hill</p> <p>Choi, F. and G. Meek, <i>International Accounting</i>, Latest Edition, Prentice Hall.</p> <p>Selected Articles</p> <p>Aiken, M. and D. Ardern, "Choice of translation methods in financial disclosure: a test of compliance with environmental hypotheses", <i>The British Accounting Review</i>, No. 35, pp. 327-348, 2003.</p> <p>Amel-Zadeh, A. and Meeks, G. (2013) 'Bank failure, mark-to-market and the financial crisis', <i>Abacus</i>, Vol. 49, No.3, pp. 308-39.</p> <p>Armstrong, C., M. Barth, A. Jagolinzer and E. Riedl. (2010). "Market Reaction to the Adoption of IFRS in Europe." <i>The Accounting Review</i> 85, 31-61.</p> <p>Barth, M. and W. Landsman, "How did financial reporting contribute to the financial crisis?", <i>European Accounting Review</i>, Vol. 19, No. 3, pp. 399-423, 2010.</p> <p>Bartov, E., "Foreign currency exposure of multinational firms: Accounting measures and market valuation", <i>Contemporary Accounting Research</i>, pp.623-652, 1997.</p> <p>Brüggemann, U., J. Hitz and T. Sellhorn. (2013). "Intended and Unintended Consequences of Mandatory IFRS Adoption: A Review of Extant Evidence and Suggestions for Future Research." <i>European Accounting Review</i> 22, 1-37.</p> <p>Bugeja, M., Czernkowski, R. and Moran, D. (2015) 'The impact of the management approach on segment reporting', <i>Journal of Business Finance and Accounting</i>, Vol. 42, No. 3-4, pp. 310-66.</p> <p>Burgstahler, D., L. Hail and C. Leuz. (2006). "The Importance of Reporting Incentives: Earnings Management in European Private and Public Firms." <i>The Accounting Review</i> 81, 983-1016</p> <p>Byard, D., Y. Li and Y. Yu. (2011). "The Effect of Mandatory IFRS Adoption on Financial Analysts' Information Environment." <i>Journal of</i></p>	

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