

ACCOUNTING 6275-001

INTERNATIONAL ACCOUNTING SUMMER 2008

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OFFICE HOURS

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Tuesdays, 10:30am to 11:30am; 2pm to 3pm; & by appointment

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OBJECTIVES

The purpose of this course is to provide the student with the ability to adequately identify, research, and evaluate major issues in international accounting. With this in mind, the following topics will be investigated and evaluated:

- Classification of world accounting systems;
- The national & international regulatory environment;
- Convergence of international accounting standards;
- Financial reporting issues in group accounting, foreign currency translation, foreign currency transactions, inflation accounting, segment reporting, goodwill, fair market accounting of investments; and
- Comparative analysis of accounting information across jurisdictions.

COURSE RESOURCES

OPTIONAL

Textbook:

This textbook provides a broad basis to help you relate all of your accounting topics and assignments to the history of the experiment in the globalization of accounting.

Choi, F. D. & Meek, G. R. (2008) *International Accounting*, 6th edition, NJ: Pearson Prentice Hall.

Textbook for non-accounting majors:

This is a very good textbook if you aren't an accounting major. It reviews the basic financial statements. I particularly like its emphasis on common-sized financial statement analysis which is a great tool when comparing companies.

Fraser, Lyn M. and Aileen Ormiston. *Understanding Financial Statements*. Pearson Prentice Hall, latest edition.

Article, Unit 6:

You may turn in an assignment on this article as a substitute for the grade on your lowest Position Paper.

Hegarty, John. (1997). Accounting for the global economy: Is national regulation doomed to disappear?" *Accounting Horizons*, (11)4, 75-90.

REQUIRED

Deloitte (DEL):

IAS Plus

Homepage:

<http://www.iasplus.com/index.htm>. A source of information on activities of the International Accounting Standards Board (IASB).

IFRSs in your pocket 2007

<http://www.iasplus.com/dttpubs/pocket2007.pdf>. IFRS summaries.

Ernst & Young (EY):

EY: International Issues & Perspectives

http://www.ey.com/global/content.nsf/International/Issues_and_Perspectives. A source of information on IFRS and global industry insights.

EY: Global IFRS resources

[http://www.ey.com/global/content.nsf/International/Assurance - IAS - Tools and Resources](http://www.ey.com/global/content.nsf/International/Assurance_-_IAS_-_Tools_and_Resources)

EY: Why you need international GAAP 2008

[http://www.ey.com/global/content.nsf/International/Assurance - IAS -
_International_GAAP_Resources](http://www.ey.com/global/content.nsf/International/Assurance_-_IAS_-_International_GAAP_Resources)

Financial Accounting Standards Board (FASB):

FASB Homepage

<http://www.fasb.org>. At this Web site you find information on (1) FASB pronouncements, (2) pronouncement summaries, and (3) international convergence.

Florida Atlantic University (FAU):

WEBLUIS (Databases & Electronic Journals):

<http://www.fau.edu/library/>. You can search databases for articles on accounting topics; for example, LexisNexis, ABI Inform. If you know the journal your article is in, you probably can find it in our list of electronic journals. **THIS IS A KEY RESOURCE FOR ACADEMIC AND PROFESSIONAL ARTICLES ON INTERNATIONAL ACCOUNTING TOPICS.**

Miller European Accounting is available through the WEBLUIS (LexisNexis Academic database in the Research Resources area). This source will provide you with summaries on GAAP in different European countries. This is a good source of local accounting standards in each of the European countries.

International Accounting Standards Board (IASB)

IASB Homepage:

<http://www.iasb.org>. The IASB Web site provides you with information on the Board's activities and summaries of promulgated standards.

International Federation of Accountants (IFAC)

IFAC Homepage:

<http://www.ifac.org>. The IFAC Web site says, "As the global organization for the accountancy profession, IFAC is committed to protecting the public interest by developing high quality international standards, promoting strong ethical values, encouraging quality practice, and supporting the development of all sectors of the profession around the world." Of particular importance is the International Auditing and Assurance Standards Board.

International Organization of Securities Commissions (IOSCO)

IOSCO Homepage:

<http://www.iosco.org> This Web site provides (1) general information about IOSCO, (2) links to

important international organizations, (3) a list of members, (4) a list of committee members, and (5) access to the IOSCO library.

IOSCO Membership (ordinary, associate, and affiliate) and Committees Lists:

<http://www.iosco.org/lists/> Gives you the Web sites of member securities exchanges throughout the world. Check out the about, links, and library areas of the Web site as well.

Securities & Exchange Commission (SEC)

SEC Homepage:

<http://www.sec.gov/> A source of information on SEC issues and regulation activities.

EDGAR (database of registrant filings): A source of information on SEC registrants.

<http://www.sec.gov/edgar.shtml>

GRADING

Participation in Discussion Boards 25%

Position Papers 25%

2 semester exams (25 pt each) 50%

Grade Breakdown:

	B+ 88 to 90	C+ 78 to 80	D+ 68 to 70		
A 92 to 100	B 82 to 88	C 72 to 78	D 62 to 68	F below 60	
A- 90 to 92	B- 80 to 82	C- 70 to 72	D- 60 to 62		

I will correct weekly papers and exams and return grades to students eight days after they are due.

I will give you feedback (Wrap Ups) on weekly discussions eight days after they are due. Weekly grades will not be given on discussions. Intelligent participation in all weekly discussions will give you all 25 points for these discussions.

Exams require you to research international. My major objective is to be assured that (1) you know how to use the tools to adequately research issues in international accounting; and (2) you can adequately find, discuss, and relate conceptual to technical issues.

SCHEDULE

Unit 1: Introduction & Overview

Noon Monday, MAY 12 to Noon Monday, May 19

Topics: Pre-assignment issues; introductions, and classification of world accounting systems.

Unit 2: Globalization and the Regulatory Environment

Noon Monday, MAY 19 to Noon Monday, MAY 26

Topics:

The National Regulatory Environment: SOX, US GAAP (FASB), SEC, and SEC Requirements to Foreign Companies

The International Regulatory Environment: IOSCO, IASB, IFAC, Convergence, Harmonization, and Standardization

Reaction to Globalization

Unit 3: Using Corporate Financial Reports across Borders

Noon Monday, MAY 26 to Noon Monday, JUNE 2

Topics:

Investments (Business combinations, Consolidations, Other investments in equity and debt securities, and Goodwill), Segment Information, and International Financial Analysis.

Unit 4: Exam on the Fair Market Valued (FMV) of Investments

Noon Monday, JUNE 2 to NOON MONDAY, JUNE 9

EXAM 1

Distributed by Noon Monday, June 2—DUE NOON MONDAY, JUNE 9

Check announcements the week before this exam. I usually post the Exam in DOC Sharing sometime the week before the June 2nd date, and I inform you of this via an announcement.

Topic:

Accounting for the Fair Market Value (FMV) of Investments

Unit 5: Foreign Currency Changes

Noon Monday, JUNE 9 to Noon Monday, June 16

Topics:

Foreign Currency (FC) Translations, FC Transactions, & Inflation

Unit 6: Exam, & Optional Assignment

Noon Monday, JUNE 16 to NOON, FRIDAY, JUNE 20

OPTIONAL ASSIGNMENT (optional articles)—DUE, MONDAY, JUNE 16

Hegarty, John. (1997). Accounting for the global economy: Is national regulation doomed to disappear?" *Accounting Horizons*, (11)4, 75-90.

EXAM 2

Distributed by Noon Monday, June 16—DUE, NOON FRIDAY, JUNE 20

Check announcements the week before this exam. I usually post the Exam in DOC Sharing sometime the week before the June 16th date, and I inform you of this via an announcement.

GRADES DUE JUNE 23

You can find your final grade in the course on Oasis sometime on Monday, June 23.

POSITION PAPERS

During the semester, you must write three, two-page Position Papers. These written papers are due on noon, Monday, of the first day of each unit for Units 2, 3, and 5.

Please place the WORD document in the unit's Drop Box by noon on the Monday the unit begins. Name your files with the number of the corresponding unit. For example, Unit 2 assignments should be all labeled "Unit 2." Assignments will only be corrected and accepted for credit if the file is submitted before noon on the due date.

Written presentations should

- Take a position on an issue brought to your attention in your readings for the week,
- Develop an argument to support your position,
- Draw conclusions about the issue, and
- Make reference to two articles at a minimum from academic and/or professional ACCOUNTING journals that you research. Check Doc Sharing for a list for some examples of accounting journals.

You can find full-text academic and professional articles online at the FAU library Web site. To download these articles from FAU databases, you will need to configure your computer. You can do this by going to the following address: <http://www.library.fau.edu/ecollect/proxy.htm>.

Submit your completed assignments with the following requirements:

- (1) a title page with your name, course number, unit number, and date,
- (2) double-spaced text,
- (3) one-inch margins all around,
- (4) 12 pt Times Roman fonts,
- (5) internal documentation with a corresponding Reference List, and
- (6) APA or Turabian style sheet. See

<http://www.collegeofbusiness.fau.edu/gradcomm/> for online resources.

Descriptive reports of each article or issue are not acceptable. You must take a position on an issue to get a passing grade. Written presentations must follow the following order:

- First page--Title page (you name, unit number, course number, date, etc.),
- Second page, List of References; and
- Third & fourth pages, body of the Position Paper.

DISCUSSION BOARD

You will find discussion items in the Discussion Board of every unit. Each item usually requires further RESEARCH. You must present your findings to the class, and discuss the findings of your classmates. You have the full week to participate in discussions.

For tips on how to participate in discussions, please read the “Class Participation” section of *Frequently Asked Questions* (the last item under **Course Home**).

I usually post in **Doc Sharing** a “Wrap Up” to unit discussions eight days after the discussions close. I may post these Wrap Ups earlier.

SEMESTER EXAMS

You have two exams in this course. Check the Syllabus for exam dates. Exams consist of research questions similar those in weekly discussion questions. The questions, however, will require you to research an international accounting issue and relate it to accounting practice. Since exams are take home, you should always include an extensive reference list of works cited in your paper.

My major criticism of performance on exams in the past is that students often don't answer the questions I ask. Students answer another question, or they only answer part of the question I ask. To avoid this problem, identify the issue(s) at hand before you begin writing.

For example, if I ask you to discuss two opposing theories and the practical problems posed by each theory, you should devote time to answering both the theory and practice aspects. If you discuss just theory, expect to only get half of the points assigned to the question. Also, if you devote two pages to discussing theory and one sentence to practical issues, you will get little credit for the one sentence. Expect a little more than 50% if you answered the first part perfectly.

I will post the best answer to the first semester exam once I enter grades in the Grade Book. Best answers are organized, focused, thorough, and well written.

MAKE-UP EXAMS

No make-up exams will be given, and assignments cannot be handed in late. A zero will be recorded for all failures to turn in exams and assignments by their due dates. Exceptions will only be made for a student's illness or for death in the immediate family circle. No excuses will be accepted for work or vacation related reasons.

INCOMPLETES

A written request for an "Incomplete" must fall within the official FAU guidelines as presented in the Student Handbook. Incompletes, therefore, will only be given when a student has completed a substantial portion (most) of the work in the course, is passing the course, and has

experienced some extraordinary event that prohibits him or her from completing the work required in the course.

ACADEMIC IRREGULARITIES

Students are referred to CH.6C5.4.01 of the student handbook entitled "Academic Irregularities." It is the policy of the faculty of the School of Accounting at FAU to adhere to the provisions of this section and to take action to secure the maximum penalty in the event of a violation of CH.6C5.4.01 of the rules of the Department of Education of the State of Florida. Make sure you are also familiar with the College of Business's Academic Honesty Policy at <http://www.fau.edu/gsb/newsinfo/cobhonesty.htm>. For purpose of identifying plagiarism in all your assignments, I reserve the right to use TURNITIN. The minimum penalty for plagiarism is a zero for the assignment I find is plagiarized. The maximum penalty is an "F" in the course. I will also ask the Registrar to put an electronic notation of the infraction in your transcript. If the incidence is the second one, you may be dismissed from the University.

UNIFORM SOA POLICIES

The School of Accounting (SOA) has adopted a set of uniform policies for all courses offered by the School. These policies are considered a part of this syllabus. For example, SOA students are required to maintain an E-mail address and to subscribe to the SOA discussion list. Instructions on how to get an E-mail address and how to subscribe can be found along with a full explanation of all policies at <http://soa.fau.edu/policies.html>