

**City University of Hong Kong  
Course Syllabus**

**offered by Department of Accountancy  
with effect from Semester B 2015/16**

---

---

**Part I Course Overview**

<b>Course Title:</b>	Corporate Accounting II
<b>Course Code:</b>	AC5602
<b>Course Duration:</b>	1 semester
<b>Credit Units:</b>	3
<b>Level:</b>	P5
<b>Medium of Instruction:</b>	English
<b>Medium of Assessment:</b>	English
<b>Prerequisites:</b> <i>(Course Code and Title)</i>	AC5601 Corporate Accounting I
<b>Precursors:</b> <i>(Course Code and Title)</i>	Nil
<b>Equivalent Courses:</b> <i>(Course Code and Title)</i>	Nil
<b>Exclusive Courses:</b> <i>(Course Code and Title)</i>	Nil

## Part II Course Details

### 1. Abstract

This course aims to:

1. develop students' conceptual skills and professional competence in the accounting for different forms of business combinations, capital reductions and reorganizations in compliance with the regulatory and financial framework in Hong Kong;
2. provide students with an in-depth understanding of the underlying accounting concepts and accounting standards governing the preparation of financial statements for a Group under Hong Kong Financial Reporting Standards (HKFRSs) for external users.

### 2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Discuss and explain the appropriate accounting concepts and relevant Hong Kong Financial Reporting Standards (HKFRSs) underlying the different forms of business combinations, including: <ul style="list-style-type: none"> <li>- Group companies created on an acquisition basis</li> <li>- Group companies created on a merger basis</li> <li>- Associates</li> <li>- Joint ventures</li> </ul>		✓	✓	✓
2.	Prepare consolidated financial statements using the acquisition method of accounting in accordance with the Hong Kong financial reporting framework.			✓	✓
3.	Apply the equity method of accounting for an associate in accordance with the Hong Kong financial reporting framework.			✓	✓
4.	Account for foreign currency transactions and translation of functional currency to presentation currency in accordance with HKFRSs.			✓	✓
5.	Discuss the different arrangements for reorganization of a company's capital structure under the relevant regulatory framework in Hong Kong and prepare accounts in accordance with a company's capital reorganization scheme.		✓	✓	✓
		100%			

- A1: *Attitude*  
Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.
- A2: *Ability*  
Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to self-life problems.
- A3: *Accomplishments*  
Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

### 3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.					Hours/week (if applicable)
		1	2	3	4	5	
Lecture	Lecture designed to assist students' understanding and learning of the topics and practical applications of accounting standards in compliance with the regulatory framework and the Hong Kong Financial Reporting Standards (HKFRSs).	✓	✓	✓	✓	✓	
In-class learning activities	In-class learning activities designed to assist students' understanding and learning of the topics and practical applications of accounting standards in compliance with the regulatory framework and the Hong Kong Financial Reporting Standards (HKFRSs).	✓	✓	✓	✓	✓	
Case analysis/ project <sup>#</sup>	Case analysis/project designed to assist students' understanding and preparation of consolidated financial statements of Group companies' annual reports.		✓	✓			
Assignments	Assignments designed to assist students' understanding and learning of the topics and practical applications of accounting standards in compliance with the regulatory framework and the Hong Kong Financial Reporting Standards (HKFRSs).	✓	✓	✓	✓	✓	

<sup>#</sup> DEC TLA element

**4. Assessment Tasks/Activities (ATs)**

*(ATs are designed to assess how well the students achieve the CILOs.)*

Assessment Tasks/Activities	CILO No.					Weighting	Remarks
	1	2	3	4	5		
Continuous Assessment: <b>50%</b>							
Class based assessment activities	✓	✓	✓	✓	✓	10-15%	
Mid-term test	✓	✓	✓	✓	✓	20-30%	
Case analysis/project <sup>#</sup>		✓	✓			10-20%	
Examination: <b>50%</b> (duration: 3 hours)							
Final examination	✓	✓	✓	✓	✓	50%	
						100%	

<sup>#</sup> DEC AT element

*Students are required to pass both coursework and examination components in order to pass the course.*

## 5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

	Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Adequate (C+, C, C-)	Marginal (D)	Failure (F)
1.	Class based assessment activities	Ability to discuss and explain the appropriate accounting concepts and apply the appropriate accounting methods in accordance with the Hong Kong financial reporting framework.	High	Significant	Moderate	Basic	Not even reaching marginal level
2.	Mid-term test	Ability to discuss and explain the appropriate accounting concepts and apply the appropriate accounting methods in accordance with the Hong Kong financial reporting framework.	High	Significant	Moderate	Basic	Not even reaching marginal level
3.	Case analysis/project	Ability to discuss and explain the appropriate accounting concepts and apply the appropriate accounting methods in accordance with the Hong Kong financial reporting framework.	High	Significant	Moderate	Basic	Not even reaching marginal level
4.	Final examination	Ability to discuss and explain the appropriate accounting concepts and apply the appropriate accounting methods in accordance with the Hong Kong financial reporting framework.	High	Significant	Moderate	Basic	Not even reaching marginal level

**Part III Other Information** (more details can be provided separately in the teaching plan)

**1. Keyword Syllabus**

*(An indication of the key topics of the course.)*

Business combinations; Goodwill; Consolidated financial statements; Subsidiaries; Associates; Joint ventures; Merger accounting; Foreign currency transactions; Capital reductions and reorganizations.

**2. Reading List**

**2.1 Compulsory Readings**

*(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)*

1.	Picker, R., K. Leo, J. Loftus, V. Wise, K. Clark, and K. Alfredson. <i>Applying International Financial Reporting Standards</i> , Wiley, latest edition.
2.	Wong, S, and C. Yeung, <i>Advanced Financial Accounting</i> , McGraw Hill, latest edition.

**2.2 Additional Readings**

*(Additional references for students to learn to expand their knowledge about the subject.)*

1.	Ng, E. J., <i>Consolidated Financial Statements</i> , McGraw Hill, latest edition.
2.	Chow, L., S. Kan, D. Taylor, and C. Tsui, <i>Advanced Financial Accounting in Hong Kong</i> , Longman, latest edition.
3.	HKICPA. <i>Hong Kong Financial Reporting Standards (HKFRSs) – Members Handbook</i> , Hong Kong Institute of Certified Public Accountants.