

**City University of Hong Kong
Course Syllabus**

**offered by Department of Accountancy
with effect from Semester A 2023/24**

Part I Course Overview

Course Title: Seminar in Financial Accounting Issues

Course Code: AC8900

Course Duration: 1 semester

Credit Units: 3

Level: R8

Medium of Instruction: English

Medium of Assessment: English

Prerequisites:
(Course Code and Title) Nil

Precursors:
(Course Code and Title) Nil

Equivalent Courses:
(Course Code and Title) Nil

Exclusive Courses:
(Course Code and Title) Nil

Part II Course Details

1. Abstract

This course aims to

- Provide a critical forum for discussions of contemporary issues in financial reporting and capital markets, including capital market consequences of financial reporting, disclosure quality/policies, earnings management, and external monitoring by capital market participants.
- Provide students with an opportunity to nurture their ability to conduct independent thesis research by applying up-to-date methodology to contemporary issues of their interests.
- Provide students with in-depth training about how to get access to and make use of research databases available at CityU, including the Wharton research Databases.

2. Course Intended Learning Outcomes (CILOs)

| No. | CILOs | Weighting | Discovery-enriched curriculum related learning outcomes (please tick where appropriate) | | |
|-----|--|-----------|---|----|----|
| | | | A1 | A2 | A3 |
| 1. | <p>Deepen their understanding of four distinct, but inter-related, roles of financial reporting in the capital-market economy: (1) the informational role; (2) the valuation role; (3) the monitoring/corporate governance role; and (4) the regulatory role.</p> <p>Provide students with in-depth methodological training for their thesis research.</p> | | ✓ | ✓ | ✓ |
| 2. | <p>Be ready to write up executable research proposals that could be converted into their Ph.D. thesis proposals and/or independent research projects.</p> <p>Be ready to process large-scale research data for students' thesis research.</p> | | ✓ | ✓ | ✓ |
| | | 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)

| TLA | Brief Description | CILO No. | | | | | Hours/week (if applicable) |
|--------------------------|--|----------|---|---|---|--|----------------------------|
| | | 1 | 2 | 3 | 4 | | |
| Lectures & Presentations | In the first part of each class (about 30 minutes), students will be given a structured lecture on the underlying theoretical framework and highlight the importance of each topical area. Through conscientious analysis of reading materials, students are expected to participate in class discussions. In most classes, students are required to present some pre-assigned reading materials individually or on a group basis. In a typical class, about three pre-assigned original papers (that have recently been published in top-tier journals) will be presented and discussed. At the last part of class (about 30 minutes), the professor is expected to consolidate class discussions and give a brief introduction on key aspects of the papers to be discussed in the next class. | ✓ | | | | | |
| Research proposal | <p>During the semester, students are expected to come up with his/her own research proposal and to further elaborate it in form of a term paper.[#] Ideally, the term paper could be further developed into his/her Ph.D. thesis proposal in the future.</p> <p>During the second half of the semester, students are required to submit their assignments (mostly related to replication of other published research results using databases available at CityU.</p> | | ✓ | | | | |

[#] DEC TLA element

4. Assessment Tasks/Activities (ATs)

| Assessment Tasks/Activities | CILO No. | | | | | | Weighting | Remarks |
|--|----------|---|---|---|--|--|-----------|---------|
| | 1 | 2 | 3 | 4 | | | | |
| Continuous Assessment: 100% | | | | | | | | |
| <u>Presentation and Class Participation</u> In most classes, students are required to present some pre-assigned reading materials individually or on a group basis. In a typical class, about three pre-assigned original papers (that have recently been published in top-tier journals) will be presented and discussed. | ✓ | | | | | | 50% | |
| <u>Term Paper[#] & Assignments</u> During the semester, students are expected to come up with his/her own research proposal and to further elaborate it in form of a term paper.# Ideally, the term paper could be further developed into his/her Ph.D. thesis proposal in the future. During the second half of the semester, students are required to submit their assignments (mostly related to replication of other published research results using databases available at CityU. | | ✓ | | | | | 50% | |
| | | | | | | | 100% | |

DEC AT element

5. Assessment Rubrics

Applicable to students admitted in Semester A 2022/23 and thereafter

| Assessment Task | Criterion | Excellent (A+, A, A-) | Good (B+, B) | Marginal (B-, C+, C) | Failure (F) |
|---|---|--------------------------|-----------------|-------------------------|-----------------------------------|
| 1. Presentation and Class Participation | Ability to critically evaluate the quality of research. | High | Significant | Moderate | Not even reaching marginal levels |
| 2. Term Paper & Assignments | Ability to identify research topics and describe research objectives, review of related literatures, research hypotheses, test procedures including sample, data sources, test design, and contribution to the existing literature. | High | Significant | Moderate | Not even reaching marginal levels |

Applicable to students admitted before Semester A 2022/23

| | Assessment Task | Criterion | Excellent (A+, A, A-) | Good (B+, B, B-) | Fair (C+, C, C-) | Marginal (D) | Failure (F) |
|----|--------------------------------------|---|--------------------------|---------------------|---------------------|-----------------|-----------------------------------|
| 1. | Presentation and Class Participation | Ability to critically evaluate the quality of research. | High | Significant | Moderate | Basic | Not even reaching marginal levels |
| 2. | Term Paper & Assignments | Ability to identify research topics and describe research objectives, review of related literatures, research hypotheses, test procedures including sample, data sources, test design, and contribution to the existing literature. | High | Significant | Moderate | Basic | Not even reaching marginal levels |

Part III Other Information

1. Keyword Syllabus

Information quality, Corporate disclosures, Mandatory disclosures, Voluntary disclosures, Information asymmetries, Product markets, Capital markets, Corporate governance, External monitoring, Accounting conservatism, Earnings management, Information environment, Analyst activities, Cost of capital, Debt contracting, International financial reporting standards, Firm-specific information flow, stock price informativeness.

2. Reading List

2.1 Compulsory Readings

| | |
|----|--|
| 1. | e-journal: The Accounting Review, all issues |
| 2. | e-journal: Journal of Accounting Research, all issues |
| 3. | e-journal: Journal of Accounting and Economics, all issues |
| 4. | e-journal: Contemporary Accounting Research, all issues |
| 5. | e-journal: Review of Accounting Studies, all issues |

2.2 Additional Readings

| | |
|----|---|
| 1. | e-journal: Journal of Finance, all issues |
| 2. | e-journal: Journal of Financial Economics, all issues |
| 3. | e-journal: Review of Financial Studies, all issues |