ACC 4030 Accounting Theory
Course Outline
Cindy Driedger, CPA, CA
Winter 2018
January 3, 2018 - April 6, 2018
Mondays and Wednesdays 5:30-6:45pm

Instructor: Cindy Driedger, CPA, CA
Email: Cynthia.Driedger@umanitoba.ca
Phone: N/A
Office: TBA
Office hours: Wednesdays 6:45-7:30pm

Assigned Material
2) any ACC 4030 Course notes posted on UMLearn course website

Objectives of the Course
The objectives of this course are to:
- Develop an understanding of the theoretical basis of current accounting standards
- Increase awareness of how theories relate to, or contradict, real world events
- Develop an interest in current events and issues facing the profession
- Understand how scholarly research tests theories and can assist policy development

Course Website
Various materials for the course are available on UM Learn. To access the course website, go to https://universityofmanitoba.desire2learn.com/d2l/login. Once you have logged in, click on the ACC 4030 course title. If you encounter difficulty, follow the instructions for login assistance.

All ACC 4030 course materials (including, but not limited to, lectures, class notes, assignments, and examinations) are the intellectual property of Cindy Driedger and cannot be reproduced, published or distributed in any format without express permission.

Mark Allocation
Midterm 1, in class on Chapters 2-5 25%
Midterm 2, in class Chapters 2-8 cumulative 40%
Scholarly Article Project 10%
Class Participation/In class assignments 5%
Final Quiz, Take-home, (Chs 9-13) 20%

Please note that the Final Quiz is take home. As such, plagiarism will not be tolerated, and any submissions which contain content which has been copied from the textbook or another student will cause the entire submission to receive a mark of 0.
End of Chapter Questions:
This course outline includes a list of suggested chapter questions that should to be done at the end of each chapter. These questions are designed to allow students to review lecture material and to practice applying knowledge of each subject area.

Students may benefit from working on questions with a study partner or in a small group. This will help ensure completeness of your individual responses. Questions will not be handed in for grading. Solutions will be made available to students for all questions. It is each student’s responsibility to check their own responses against solutions in detail and to identify areas where improvement is necessary. Any persistent difficulties should be discussed with the instructor.

“Scholarly article” Assignment
Students are to form groups of 3-4 students for the group assignment. Assignments done by individuals will not be accepted. Late assignments will not be accepted. No, really, Late assignments will not be accepted

Scholarly Article Project
Weight: 10%
The purpose of this assignment is to expose you to academic accounting research, and to see how concepts and theories discussed in this course may be relevant (or not) to accounting practitioners.
The assignment involves selecting ONE article from the list which will be provided in the second week of class by the professor (all are available electronically through the U of M libraries):

The article should be discussed in light of theories or concepts discussed in the course. For example, you may relate the article to theories which either confirm or contradict or expand upon the material in the article. The total length for the article review should not exceed 5 pages double spaced, minimum 11 point font.

Grading will be based on the following criteria:
• Identification of relevant theories
• Understanding of theory
• Appropriate application of theory to article
• Conclusions

Submission of the project should be done via the UM Learn drop box function. Please submit one file per group. Each group member will have an option to evaluate each other group member’s performance. If one or more members did not contribute fully he or she should be given a contribution score of less than 100% (minimum = 0%). Your individual grade will be equal to the grade assigned for the group project, multiplied by your individual average contribution score as determined by the other group members. Please submit your evaluation via UM Learn dropbox by the assignment deadline. Note if you do not submit a group evaluation it will be assumed you are giving each member a 100% contribution score.

You should write your answers as if you were telling your classmates about the article. Therefore, your writing should be understandable, in everyday language, and should not consist of sentences taken directly from the article. Your grade will be based on your understanding of the article, the quality of your answers to the above questions, and the quality and clarity of your communication.

Assignments done on an individual basis will NOT be accepted.
Class participation:
Students are required to participate in discussions during class. Periodically there will be a question provided in class which will be discussed in groups. Following group discussion, each group member must prepare a written summary of the topic to be submitted for marking.
Students will be notified in advance of when a group discussion with a written submission will occur. Students who miss class on days where these submissions occur forfeit the opportunity for these marks.

Examinations:
Students are allowed to bring one 8.5 x 14 inch sheet, handwritten on one side only, into each midterm examination. It will be necessary to submit this sheet with the examination.

Students who miss either of the mid-term examinations for legitimate reasons (medical compassionate, or university sports team travel) will write the midterm 1 with midterm2 and the combined midterm will be 2.5 hours long. Students who miss midterm 2 will write a 2-hour quiz on the last day of class. In all cases of absence the instructor should be advised with 7 days of the examination date and receive suitable documentation.

Any requests for re-reads of a mid-term examination must be made in writing within 10 working days of the class when it was returned. Each exam will be scanned to ensure no alterations have been made to the exam after returned. Any exam with requests for remarking which has been altered will be given a grade of 0 and the student will be reported for cheating.

Tentative Class Schedule (Changes are possible and will be announced)

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter</th>
<th>Topic</th>
<th>Sections to skip</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 3</td>
<td>Course Intro</td>
<td></td>
<td>Chapter 1</td>
<td></td>
</tr>
<tr>
<td>January 8/10</td>
<td>2</td>
<td>Accounting under Ideal Conditions</td>
<td>7-8, 12-15,19-20, 22, 24</td>
<td></td>
</tr>
<tr>
<td>January 15/17</td>
<td>2 &amp; 3</td>
<td>Decision Usefulness Approach</td>
<td>Omit 3.6</td>
<td></td>
</tr>
<tr>
<td>January 22/24</td>
<td>3</td>
<td>Decision Usefulness Approach</td>
<td>1, 5, 6, 8, 12, 17</td>
<td></td>
</tr>
<tr>
<td>January 29/31</td>
<td>4</td>
<td>Efficient Securities Markets</td>
<td>1, 2, 3, 5</td>
<td></td>
</tr>
<tr>
<td>February 5/7</td>
<td>5</td>
<td>Value Relevance of Accounting</td>
<td>4, 5, 6, 7, 9, 10</td>
<td></td>
</tr>
<tr>
<td>February 12/14</td>
<td></td>
<td>Information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 19-23</td>
<td></td>
<td>Reading week - classes cancelled</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 26</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>February 28</td>
<td>6</td>
<td>Measurement Approach to Decision Usefulness</td>
<td>Omit 7.6-7.12-5</td>
<td>5</td>
</tr>
<tr>
<td>March 5/7</td>
<td>7</td>
<td>Measurement applications</td>
<td>Omit 8.10.3</td>
<td>3, 4</td>
</tr>
<tr>
<td>March 12/14/19</td>
<td>8</td>
<td>Efficient Contracting</td>
<td></td>
<td></td>
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<tr>
<td>March 21</td>
<td>TBD</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>March 26</td>
<td>TBD</td>
<td>Assignment due @ 11pm</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March 28</td>
<td>9 &amp; 10 &amp; 11</td>
<td>An analysis of conflict</td>
<td>Ch 9:</td>
<td>1-8 omit 3</td>
</tr>
<tr>
<td>April 2/4</td>
<td>12 &amp; 13</td>
<td>Executive compensation</td>
<td></td>
<td>1, 2, 5, 6, 7, 14, 16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Earnings Management</td>
<td></td>
<td>1-4, 14, 18</td>
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<tr>
<td></td>
<td></td>
<td>Standard setting</td>
<td></td>
<td>6, 14, 18</td>
</tr>
<tr>
<td>April 6 @11pm</td>
<td>Final quiz due</td>
<td>Chapters 9-13 inclusive</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PROJECT TEAM PEER EVALUATIONS

As a group, you may evaluate the contribution of each team member to each article project. If, in the view of the group, all members contributed fully and equally to the final project, each member should receive a Contribution Score of 100% (as this is the default, it is not necessary to submit a form). If one or more members did not contribute fully and equally, the members of the group can elect to give him/her a score less than 100% (minimum = 0). Each member of the group is entitled to submit an assessment of the team member contributions, and each team member will receive the average of all the assessments. The grade for each member will be equal to the grade assigned for the group project, multiplied by that individual’s average Contribution Score.

EXAMPLE: Students A, B and C worked together on the project. A and B worked very hard, while C put in only limited time. As a result, A and B had to do their own work and a good deal of the work that C had promised to do. A and B submitted forms giving themselves Contribution Scores of 100% each, with C deserving only 60%. C did not submit a form, so the default of 100% for all members applies for C’s assessment. The project received a final grade of 70%. A and B would each receive individual grades of (70% X 100% =) 70% for the project, while C would receive a grade of (70% X \{60%+60%+100%/3\} = 51%).

<table>
<thead>
<tr>
<th>Member name (print)</th>
<th>Contribution Score (max =100% )</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<tr>
<td></td>
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</tr>
</tbody>
</table>

Name of submitting member:_________________________________________________ (printed)

Signature of submitting member:______________________________________________
Appendix 1. The CPA Canada Handbook - Accounting

The CPA Canada Handbook – Accounting is made up of 5 parts. For this course, we will only be studying Part I and Part II. Part I is the International Financial Reporting Standards (IFRS). Part II is the Accounting Standards for Private Enterprises (ASPE). Though it is not absolutely necessary to read the IFRS or ASPE themselves, motivated students may find it useful to read directly from the accounting standards to obtain a better understanding of the application of accounting.

The CPA Canada Handbook –

Accounting is available in electronic format on the University of Manitoba Libraries website. To access the Handbook:

1. From the University of Manitoba homepage (umanitoba.ca), click on Libraries in the Resources widget.
2. Click on Databases A – Z page
3. Click on C and then scroll down to, and click on, CICA Standards & Guidance Collection.
4. You will then have to enter your Library ID and PIN (if you do not know your Library ID and/or PIN, there is a link on this page that will help you) and click on Login. Alternatively you can use your D2L username and password to log in. This will take you to Knotia.ca.
5. On the Knotia.ca page, click on CPA Canada Handbook – Accounting (CPACHB).
6. In the left-hand window, click on Accounting. This in turn gives you access to International Financial Reporting Standards (for public accounting entities) and Accounting Standards for Private Enterprises.
7. The most efficient way to access a particular section in the Handbook is to enter the section number in the “Fetch” box on the left-hand side of the screen and click on Go.

The Handbook is accessible on campus or from off-campus with an internet connection.

To Access Articles

If you know the scholarly article you want and have the bibliographic information:
1. From the University of Manitoba homepage (umanitoba.ca), click on THE UNIVERSITY and then LIBRARIES.
2. Go to Search Library Catalogue (Bison)
3. Enter the name of the journal in the search box and drag down the “keyword” box to indicate “journal title”. Click the “search” button at the bottom of the screen.
4. Click on the [1 title] beside your chosen title in your search results screen.
5. Click on the yellow “Find It at UML” button. You will have to enter your UMNet ID and password.
6. Click on Full Text Available and enter in the volume, number and beginning page number of the article, or you may see a panel entitled “All Issues” and click on the year the article was published. Select the volume or issue containing the article you want.
To find a business article (scholarly or popular press), use the Proquest electronic database:
1. From the University of Manitoba homepage (umanitoba.ca), click on THE UNIVERSITY and then LIBRARIES.
2. Click on Collections and Databases A-Z
3. Click on the letter “A”
4. Scroll down to, and click on, ABI/Inform Complete You will need to enter your Library ID and PIN (follow the instructions if you have not yet set a PIN for yourself). The ABI/Inform database contains articles related to business from sources such as newspapers, magazines and scholarly journals.
Appendix 2. AACSB Assurance of Learning Goals and Objectives.

The Asper School of Business is proudly accredited by AACSB. Accreditation requires a process of continuous improvement of the School and our students. Part of “student improvement” is ensuring that students graduate with the knowledge and skills they need to succeed in their careers. To do so, the Asper School has set the learning goals and objectives listed below for the Undergraduate Program. The checked goal(s) and objective(s) will be addressed in this course and done so by means of the items listed next to the checkmark.

<table>
<thead>
<tr>
<th>Goals and Objective in the Undergraduate Program</th>
<th>Goals and Objectives Addressed in this Course</th>
<th>Course Item(s) Relevant to these Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 <strong>Quantitative Reasoning</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Determine which quantitative analysis technique is appropriate for solving a specific problem.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Use the appropriate quantitative method in a technically correct way to solve a business problem.</td>
<td>✓</td>
<td>Chapters 2 to 3</td>
</tr>
<tr>
<td>C. Analyze quantitative output and arrive at a conclusion.</td>
<td>✓</td>
<td>Chapters 2 to 3</td>
</tr>
<tr>
<td>2 <strong>Written Communication</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Use correct English grammar and mechanics in their written work.</td>
<td>✓</td>
<td>Article Assignment</td>
</tr>
<tr>
<td>B. Communicate in a coherent and logical manner.</td>
<td>✓</td>
<td>Article Assignment</td>
</tr>
<tr>
<td>C. Present ideas in a clear and organized fashion.</td>
<td>✓</td>
<td>Article Assignment</td>
</tr>
<tr>
<td>3 <strong>Ethical Thinking</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Identify ethical issues in a problem or case.</td>
<td>✓</td>
<td>Chapter 1,4,8-11</td>
</tr>
<tr>
<td>B. Identify the stakeholders in the situation.</td>
<td>✓</td>
<td>Chapter 1,4,8</td>
</tr>
<tr>
<td>C. Analyze the consequences of alternatives from an ethical standpoint.</td>
<td>✓</td>
<td>Chapter 1,4,8</td>
</tr>
<tr>
<td>D. Discuss the ethical implications of the decision.</td>
<td>✓</td>
<td>Chapter 1,4,8</td>
</tr>
<tr>
<td>4 <strong>Core Business Knowledge</strong></td>
<td>✓</td>
<td>Entire course</td>
</tr>
</tbody>
</table>


Appendix 3. Academic Integrity

It is critical to the reputation of the I. H. Asper School of Business and of our degrees that everyone associated with our faculty behaves with the highest academic integrity. As the faculty that helps create business and government leaders, we have a special obligation to ensure that our ethical standards are beyond reproach. Any dishonesty in our academic transactions violates this trust. The University of Manitoba Undergraduate Calendar addresses the issue of academic dishonesty under the heading “Plagiarism and Cheating.”

Specifically, acts of academic dishonesty include, but are not limited to:

- using the exact words of a published or unpublished author without quotation marks and without referencing the source of these words
- duplicating a table, graph or diagram, in whole or in part, without referencing the source
- paraphrasing the conceptual framework, research design, interpretation, or any other ideas of another person, whether written or verbal (e.g., personal communications, ideas from a verbal presentation) without referencing the source
- copying the answers of another student in any test, examination, or take-home assignment
- providing answers to another student in any test, examination, or take-home assignment
- taking any unauthorized materials into an examination or term test (crib notes)
- impersonating another student or allowing another person to impersonate oneself for the purpose of submitting academic work or writing any test or examination
- stealing or mutilating library materials
- accessing tests prior to the time and date of the sitting
- changing name or answer(s) on a test after that test has been graded and returned
- submitting the same paper or portions thereof for more than one assignment, without discussions with the instructors involved.

Group Projects and Group Work

Many courses in the I. H. Asper School of Business require group projects. Students should be aware that group projects are subject to the same rules regarding academic dishonesty. Because of the unique nature of group projects, all group members should exercise special care to insure that the group project does not violate the policy on Academic Integrity. Should a violation occur, group members are jointly accountable unless the violation can be attributed to a specific individual(s).

Some courses, while not requiring group projects, encourage students to work together in groups (or at least do not prohibit it) before submitting individual assignments. Students are encouraged to discuss this issue as it related to academic integrity with their instructor to avoid violating this policy.

In the I. H. Asper School of Business, all suspected cases of academic dishonesty are passed to the Dean’s office in order to ensure consistency of treatment.