



Shanghai Jiao Tong University

AC432 Advanced Financial Accounting

Instructor:	Zhenhua Chen	Email:	zhenhuachen@sandiego.edu
Instructor's Home Institution:	University of San Diego	Office:	TBD
Office Hours:	TBD		
Term:	December 16, 2019-January 7, 2020	Credits:	4 units
Classroom:	TBD	Teaching Assistant(s):	TBD
Class Hours:	Monday through Friday, 160 mins per teaching day		
Discussion Sessions:	2 hours each week, conducted by teaching assistant(s)		
Total Contact Hours:	64 contact hours (1 contact hour = 45 mins, 2880 mins in total)		
Required Texts (with ISBN):	Financial reporting, by Loftus et al, (2nd edition, John Wiley & Sons Australia Ltd, 2017). ISBN: 9780730363361		
Prerequisite:	ACC311 Financial Accounting or equivalent (Recommended)		



Course Overview

This course aims to provide students with a detailed understanding of contemporary and complex financial reporting issues from the Australian and international perspectives. Based on International Financial Reporting Standards (IFRS) and their Australian equivalents (AASB), topics include conceptual foundations of financial reporting, consolidated financial statements, foreign currency transactions, employee benefits, leases, financial instrument, intangible assets, and business combinations. This course also discusses and analyzes the accounting issues that pertain to the corporate form of organization operating in the private sector. It includes an examination of the financial reporting framework in Australia, as well as an in-depth study of the requirements for the preparation of financial statements for a group of companies operating under common control.

Course Goals

As the result of this course students should be able to:

- 1) understand the accounting rules for corporate combinations as well as for the preparation of consolidated financial statements following such transactions; understand the accounting rules for translation of financial statements of foreign affiliates, and foreign currency transactions; understand the accounting rules for financial derivatives and hedging activities.
- 2) prepare journal entries and financial statements according to the IFRS and AASB for the above areas.
- 3) gain a new perspective on financial accounting, switching from a single entity to a complex entity, which may comprise two or more individual corporations; understand the history and evolution of accounting standards for mergers and acquisitions; be ready for the proposed merge with the international accounting standards.

Course Expectations

- Students are expected to attend all classes and be responsible for all materials covered in class. Unexcused absence not only hurts your attendance score but also may have a negative impact on your exam performance.
- Students are expected to complete and submit homework independently. Students can work together to discuss homework, but submission must be done on an individual basis.
- No electronics are allowed in class unless permitted by the instructor.



Grading Policy

Class Attendance	10%
Mid-term exam	20%
Assignment	30%
Final exam	40%

Grading Scale is as follows:

Number grade	Letter grade	GPA
90-100	A	4
85-89	A-	3.7
80-84	B+	3.3
75-79	B	3
70-74	B-	2.7
67-69	C+	2.3
65-66	C	2
62-64	C-	1.7
60-61	D	1
≤59	F (Failure)	0



Class Schedule (Subject to Change)

Day	Lecture	Chapter
Day 1	Theories of Accounting	1&2
Day 2	Intangible Assets	6
Day 3	Accounting for Employee Benefits	9
Day 4	Accounting for Leases (Part 1)	10
Day 5	Accounting for Leases (Part 2)	10
Day 6	Financial Instruments	11
Day 7	Earnings per share	19
Day 8	Mid-term exam	
Day 9	Foreign Currency Transactions	23
Day 10	Foreign Currency Transactions	24
Day 11	Business Combinations	25
Day 12	Consolidation: controlled entities	26
Day 13	Consolidation: wholly owned entities	27
Day 14	Consolidation: Intragroup transactions	28
Day 15	Final exam	