

# **ACC302 Advanced Financial Reporting**

**Level:** 3

**Credit Units:** 5 Credit Units

**Language:** ENGLISH

**Presentation Pattern:** EVERY JULY

## **Synopsis:**

ACC302 Advanced Financial Reporting continues to expand the skills, knowledge and understanding that students have gained in ACC201e Financial Accounting, ACC206 Financial Reporting and ACC208 Intermediate Financial Reporting. The course continues to examine several financial reporting standards in detail. The aim of the course is to provide a good understanding of accounting for business combinations, associates and joint arrangements. It covers issues and accounting standards relating to inter-company transactions and consolidation. The course also examines the accounting for the effects of changes in foreign exchange rates and the translation of foreign subsidiaries and associates. Finally, the course examines the accounting of derivatives and hedge accounting.

## **Topics:**

- Business combinations
- Acquisition method
- Goodwill, identifiable assets and liabilities, and non-controlling interest
- Consolidated financial statements and consolidation adjustments
- Inter-company transactions and unrealised profit or loss
- Equity method for investments in associates
- Translation of foreign currency financial statements and foreign operations
- Foreign currency transactions
- Accounting for derivative financial instruments
- Fair value hedge accounting
- Cash flow hedge accounting
- Accounting for hedge of net investment in foreign entity

## **Textbooks:**

Ng Eng Juan, Chong Kooi Wah, Ho Kok Yong and How Chin Hong Aylwin: Derivatives and Hedge Accounting (2nd edition) 2nd Wolters Kluwer  
ISBN-13: 9789814838320

Ng Eng Juan: Consolidated Financial Statements (4th edition) 4th McGraw Hill  
ISBN-13: 9789814923453

**Learning Outcome:**

- Examine the conceptual issues relating to business combinations and consolidation, including the acquisition method, goodwill, non- controlling interest, and equity accounting.
- Prepare consolidated financial statements for a group of companies consisting of a parent and subsidiaries, in accordance with the relevant financial reporting standards.
- Construct consolidated financial statements for a group of companies consisting of an investor company and its subsidiaries and associates, in accordance with the relevant financial reporting standards.
- Discuss the conceptual issues relating to the effects of changes in foreign exchange rates, including foreign currency transactions, translation of foreign currency financial statements, and foreign operations.
- Apply the relevant financial reporting standards to account for foreign currency transactions and translation of foreign currency financial statements.
- Recommend hedging strategies based on derivatives and other financial instruments to manage financial risks.
- Illustrate the accounting for transactions involving the use of derivatives and other financial instruments, including the application of hedge accounting rules, in accordance with relevant financial reporting standards.
- Develop the essential interpersonal skills to work effectively in a team.
- Demonstrate proficiency in written and verbal communication skills.

**Assessment Strategies (Evening Class):**

<b>Components</b>	<b>Description</b>	<b>Weightage Allocation (%)</b>
Overall Continuous Assessment	PRE-CLASS QUIZ 1	2
	PRE-CLASS QUIZ 2	2
	PRE-CLASS QUIZ 3	2
	TUTOR-MARKED ASSIGNMENT 1	14
	GROUP BASED ASSIGNMENT 1	15
	PARTICIPATION 1	15
Overall Examinable Components	Written Exam	50
<b>Total</b>		<b>100</b>