

Spring 2016 UHM ACC620: GLOBAL ACCOUNTING

Sec. 1 (Tues 6PM-8:45PM) in #D103

Instructor: Dr. David Yang (E-Mail: YANGD@HAWAII.EDU)

Office Hours at Shidler College of Business #D310 (Tel:956-6975)

Tues: 8:45PM-9:15PM and by appointment

COURSE OUTLINE

I. Course Description

INTERNATIONAL ACCOUNTING (Gerhard Mueller & Fred Choi):

"International Accounting extends general-purpose, nationally oriented accounting in its broadest sense to: (1) international comparative analysis, (2) accounting measurement and reporting issues unique to multinational business transactions and the business form of the multinational enterprise, (3) accounting needs of international financial markets, and (4) harmonization of worldwide accounting and financial reporting diversity via political, organizational, professional, and standard-setting activities."

II. Students Learning Outcomes

The objective of this course is to introduce students to the theoretical and practical aspects of International Accounting with an Asia/Pacific focus. This course will:

1. provide the background necessary to analyze foreign financial statement,
2. enable students to understand the major differences between IFRSs and U.S. GAAP, as well as appreciate the different accounting and auditing environments,
3. introduce the financial and managerial accounting aspects of multinational corporations, and
4. acquaint students with the international dimensions of accounting.

III. Prerequisite

ACC323 or ACC582 or BUS624 with B or better, or consent.

IV. Course Materials

1. The principal textbook for this course is:

Doupnik, Timothy and Hector Perera [DP]. 2015. International Accounting. 4rd edition/loose-leaf edition. McGraw-Hill (ISBN: 9781308240169). (required)

2. IFRS Foundation. 2015. IFRS as Global Standards: A Pocket Guide (required)
3. International Financial Reporting Standards (IFRS).

- Checkpoint database. IFRS Foundation. (required)
4. IFRS Compared to US GAAP: An Overview. KPMG. Or, similar comparison guides such as:
 US GAAP versus IFRS: The basics. Ernst & Young.
 IFRS and US GAAP: similarities and differences. PwC. 2015.
 IFRSs in Your Pocket. Deloitte. 2015. (optional)
 5. Insights into IFRS: An Overview. Sept. 2015. KPMG. (optional)
 6. Lin, Z. Jun, David C. Yang and Liyan Wang. 1998. Accounting and Auditing in China. Ashgate (ISBN: 1-84014-048-8). (optional).

V. Grades

The following grading weights will apply to the course:

Mid-term exam	30%
Final exam	35%
One group computer assignment (http://www.sec.gov and Mergent Online)	8%
Three chapter cases	12%
One group term paper	15%
Total	100%

In fairness to other students, late work will not be accepted even for excused absences. The final grades will be A, B, C, D, and F or I for incomplete (no plus/minus grades).

VI. Attendance and Participation

Regular class attendance is considered a requirement of the course. The lecture and class discussion are an important part of the instructional program and, therefore, it is important that you be present on a regular basis. In appropriate situations, class attendance and participation may be taken into account in determining the final grades. All materials presented in lectures, whether or not covered in the text, may be tested on quizzes and/or examinations.

VII. Requirements

1. You will be required to: (a) read all of the assigned readings, cases, problems and exercises, and (b) prepare solutions for the assigned cases, problems and exercises. All homework is to be prepared on appropriate paper, and in professional format. Write on only one side of the paper.
2. You are responsible for knowing about any changes in the syllabus, or any other information announced in class. If you miss a class, I suggest you consult your classmates and find out what you missed.
3. You are expected to attend every examination. No make-ups will be allowed without prior approval by the instructor. In the event of an emergency, please inform the instructor and seek necessary permission. Failure to do will result in your absence being counted as an unexcused one.

VIII. Reminder

1. Please note that requests to reschedule exams are not allowed. Calculators are allowed for every exam, but no smart phones or I-Pad.
2. Please check "academic calendar" at www.hawaii.edu/myuh/manoa for Deadlines for dropping/withdrawing from this course.
3. Please read this syllabus carefully and retain it for future reference. Certain information such as final exam time, etc. is listed for your convenience. You are responsible for verifying their accuracy and bringing them to the attention of the instructor.
4. All assignments are due at the beginning of the class on the due date. Please don't check assignment solutions with the instructor before the due date. All work submitted must be that of the student. A student's submission of someone else's work as his/her own will result in the student's being dropped from the course with a grade F.
5. If you wish to know your final grade early, please send an E-mail request after the final exam.
6. Without completing prerequisites, you are not allowed to take this course.
7. Instances of academic dishonesty, as defined by the University Student Conduct Code (available at http://studentaffairs.manoa.hawaii.edu/policies/conduct_code), in this class will not be tolerated and any instance of academic dishonesty will result in a grade of F. Further disciplinary sanctions may also be imposed by the Dean of Students in accordance with the fore-mentioned Student Conduct Code.
8. Students with disabilities are encouraged to contact the KOKUA Program for information and services. Services are confidential and students are not charged for them. Please contact KOKUA at kokua@hawaii.edu.
9. In the event of disturbances before or during class time (for example, bomb threats), please meet the instructor in the grassy area on the south side of George Hall. You will be given further instructions at that point. On days of scheduled exams, you will be directed to an alternate classroom to take the exam.

IX. Due Dates

Mid-term Exam & computer assignments	3/05
Term paper due and presentation	4/19
Final Exam	4/26

WEEK TOPIC & ASSIGNMENT SCHEDULE* [R: Required Reading; O: Optional Reading]

I. INTRODUCTION

- 1/12 R: Syllabus
 R: Introduction to International Accounting (DP#1; Cases 1-1 and 1-2)
 R: Test Your Knowledge of International Standards. Journal of Accountancy (May 2010), pp. 58-59.
 O: Melancon, Barry C. 2010. The Global Accounting Profession in the United States. International Journal of Disclosure and Governance (Vol. 7, No. 4):294-297.
 O: CPA Exam to Undergo an Evolution. Journal of Accountancy (May 2010), pp. 54-56.
 O: Uniform CPA Examination FAQs - International Financial Reporting Standards, AICPA (see http://www.aicpa.org/BecomeACPA/CPAExam/ForCandidates/FAQ/Pages/IFRS_FAQs.aspx)
 O: Companies and Nationality: Flags of Inconvenience. The Economist, May 17, 2014.
 O: US Accountants Being Asked to Think More Globally. AccountingWEB, August 8, 2013.
 O: The Global Accounting Profession in the United States. International Journal of Disclosure and Governance, Vol. 7, 2010, pp. 294-297.

II. INTERNATIONAL FINANCIAL ACCOUNTING AND REPORTING

- 1/19 R: Worldwide Accounting Diversity (DP #2; Cases 2-1 and 2-2)
 R: The Conceptual Framework for Financial Reporting, 2010, IASB
 O: Radebaugh, Lee H, Gunther Gebhardt, Didney Gray, Foreign Stock Exchange Listing: A case study of Daimler-Benz, Journal of International Financial Management & Accounting, Summer 1995, Vol 6, Issue 2, pp. 158-192.
 O: Yang and Lee. 1994. An Empirical Analysis of Pan-Pacific Accounting Practices in the 1970s. Advances in International Accounting 6: 133-145.
 O: Shima and Yang. 2012. Factors Affecting the Adoption of IFRS. International Journal of Business 17(3), pp. 276-298.
- 1/26 R: International Convergence of Financial Reporting (DP #3, except pp. 75-92; Case 3-1)
 R: IAS #1, IFRS #1, IAS #7, IFRS #5
 R: Nobes, Christopher. 1998. The Future Shape of Harmonization: Some Responses. The European Accounting Review No. 2: 323-333.
 O: Are Truly Global Standards Achievable? Speech given by

Ian Mackintosh, Vice-Chairman of the IASB, Johannesburg, August 13, 2014.

O: Accounting Convergence Unachievable. Accounting Today. August 6, 2014.

- 2/02 R: Analysis of Foreign Financial Statements (DP #10; Case 10-1, and class handouts)
 R: IAS #37, IAS #18, IFRS #15
 R: Choi, F. et al. 1983. Analyzing Foreign Financial Statements: The Use and Misuse of International Ratio Analysis. Journal of International Business Studies: 113-131.
 R: Radebaugh Lee H., Gunther Gebhardt, and Sidney J. Gray. 1995. Foreign Stock Exchange Listings: A Case Study of Daimler-Benz. Journal of International Financial Management and Accounting 6:2 1995: 158-192.
 R: Herrmann, D., T. Inoue, and W.B. Thomas. 1996. Are There Benefits to Restating Japanese Financial Statements According to U.S. GAAP? Journal of Financial Statement Analysis (Fall): 61-73.
- 2/09 R: International Accounting Standards Board and International Financial Reporting Standards Part I (DP #3 pp. 75-92; DP #4; Exercises and Problems 1-12; Case 4-1)
 R: IFRS database introduction
 R: IAS #2, IAS #11
 R: IFRS. IFRS as Global Standards: A Pocket Guide, 2015.
 R: International Financial Reporting Standards (IFRS): An AICPA Backgrounder, 2011 (see http://www.ifrs.com/pdf/IFRSUpdate_V8.pdf)
 R: Preface to International Financial Reporting Standards
 R: Constitution of IFRS Foundation, 2013
 R: "Who we are and what we do" IFRS website, July 2015 <http://www.ifrs.org/The-organisation/Documents/2013/WhoWeAre-English-July%2015.pdf>
 O: KPMG, IFRS Compared to U.S. GAAP: An Overview.
 O: Deloitte, IFRSs in Your Pocket.
 O: PricewaterhouseCoopers, IFRS and US GAAP: Similarities And Differences.
 O: Gannon D. J. and Alex Ashwal. 2004. Financial Reporting Goes Global. Journal of Accountancy (September): pp. 43-47.
 O: IFRS, IFRS Application Around the World. <http://www.ifrs.org/use-around-the-world/Pages/Jurisdiction-profiles.aspx>
 O: Beswick: "Change fatigue" a barrier to IFRS in U.S. May 2, 2013. Journal of Accountancy.
- 2/16 R: International Financial Reporting Standards Part II (DP #5; Exercises & Problems 1-13; Case 5-1)
 R: IAS #16, IAS #40, IFRS #13

III. COMPARATIVE ACCOUNTING PRACTICES

- 2/23 R: Comparative Accounting (DP #6; Case 6-1)
 R: IFRS #6, IAS #23
 R: KPMG, IFRS Compared to U.S. GAAP: An Overview 2013.
 O: Iskandar, Yang, Saleh and Gregson. 2003. A Broad Analysis of United States Generally Accepted Accounting Principles and the Malaysian Accounting Standards Board Approved Accounting Standards. International Journal of Business, 8 (1): 87-103.
 O: Yang and Nguyen. 2003. "The Enterprise Accounting System of Vietnam and United States Generally Accepted Accounting Principles: A Comparison" Advances in International Accounting 16: 175-204.

IV. TYPICAL FINANCIAL ACCOUNTING ISSUES OF MULTINATIONAL CORPORATIONS

- 3/01 R: Translation of Foreign Currency Financial Statements (DP #8; Exercises and Problems 1-6; Cases 8-1, 8-2)
 R: IAS #38, IAS #36, IAS #21
- 3/08 R: Accounting for Changing Prices and Additional Financial Reporting Issues (DP #9 and class handout)
 R: IAS #29, IFRS #4, IFRS #8
 R: Review of Mid-term Exam
 O: IFRS #10, IFRS #3
 O: Yang, David, Miklos Vasarhelyi, Caixing Liu and Kim Shima. 2005. An Empirical Study of Net Assets Disclosures: Inflation Accounting Revisited. International Journal of Business 10 (4): 403-422.
 O: Guardian, Zimbabwe to Make Chinese Yuan Legal Currency after Beijing Cancels Debts, December 1, 2015.
- 3/15 R: Mid-term Exam
- 3/22 R: Spring Recess

V. SUSTAINABILITY ACCOUNTING AND REPORTING

- 3/29 R: International Corporate Social Reporting (DP #15; Case 15-1)
 R: IAS #8, IAS #10, IAS #26
 O: The KPMG Survey of Corporate Responsibility Reporting 2015. KPMG.
 O: Gaining Ground: Corporate Progress on the CERES Roadmap for Sustainability. 2014. CERES.

VI. MANAGERIAL ACCOUNTING FOR GLOBAL BUSINESS OPERATIONS

- 4/05 R: International Transfer Pricing (DP #12; Exercises and Problems 1-12; Cases 12-1, 12-2)

- R: Strategic Accounting Issues in Multinational Corporations (DP #13; Cases 13-1, 13-2)
- R: IAS #12, IAS #17
- O: Chan and Yang. 1989. A Survey of Domestic and International Transfer Pricing Practices of U.S. Multinational Corporations. Journal of Business and Economic Perspectives Vol. XV (1): 55-64.

VII. INTERNATIONAL AUDITING

- 4/12 R: Comparative International Auditing and Corporate Governance (DP #14; Cases 14-1, 14-2; and class handouts)
- R: IAS #19, IAS #24
- O: The Multinational Auditor: Overcoming Cultural Differences. October 1988. The Internal Auditor. pp. 16-21.
- O: How to Land an Overseas Assignment. December 2013. Journal of Accountancy. pp. 32-35.
- O: Tax Planning Insights for Foreign Work Assignments. December 1, 2015. The Tax Adviser.

VIII. INTERNATIONAL TAXATION

- 4/19 R: International Taxation (DP #11; Exercises and Problems 1-12; Case 11-1)
- R: IAS #33, IAS #34
- O: Gramlich, Jeffrey and James Wheeler. 2003. How Chevron, Texaco, and the Indonesian government structured transactions to avoid billions in U.S. income taxes. Accounting Horizons 17 (June); 107-122.
- O: Complying with the Foreign Corrupt Practices Act. Strategic Finance. April 2013, pp. 15-16, 61.
- O: Using Offshore Tax Havens. Wealth Daily. July 22, 2014.
- O: States Target Corporate Cash Stashed Overseas. Bloomberg Businessweek. April 17, 2014. pp. 27-28.
- O: Nevius, Alistair. OECD Proposes Widespread Changes to International Tax Rules. October 6, 2015.

IX. ACCOUNTING INFORMATION SYSTEMS FOR MULTINATIONAL CORPORATIONS

- R: Information Systems for Multinational Corporations (Class handout)
- R: IAS #28
- R: Term paper presentation
- R: Review of Final Exam
- O: Yang, Liu and Kim. 2005. Guidelines for Planning A Multinational Accounting Information System. Review of Business Information Systems 9 (Summer): 41-46.

X. ACCOUNTING NEEDS OF INTERNATIONAL FINANCIAL MARKETS

O: Financial Risk Management (DP #7)
O: IAS #32, IAS #39, IFRS #7, IFRS #9

4/26 R: Final Exam

*: This schedule is a general plan for the course. Changes may be necessary.