Aims & Objectives

AIMS:

1. To describe the standard-setting process and the forces affecting standard-setting in Singapore
2. To critically discuss issues in accounting standard-setting and practice in Singapore
3. To evaluate research findings on accounting issues--how reliable are they and what do they imply for accountants?

OBJECTIVES:

After successfully finishing this module, you will be able to ...

1. deliver expert professional opinions on accounting gray areas, both in writing and orally
2. display professional competence by:
   1. anticipating important changes in accounting regulations and predicting their likely impact on investors, companies and accountants
   2. displaying up-to-date knowledge and professional judgment in talking about current issues in accounting (for example in a job interview or in networking conversations with senior accountants)
   3. (for Honors students) decide whether to undertake an honors thesis in financial accounting, and if yes, make an informed choice of a topic

Prerequisites
ACC3601 Corporate Accounting and Reporting is a prerequisite for this module.

ACC3606 Advanced Corporate Accounting And Reporting is a co-requisite for this module. This means that you cannot take ACC3615 unless you have either (a) already taken ACC3606 previously or (b) are concurrently taking ACC3606 in the same semester. Qualified BAC08 honors students who wish to take the modules separately can take ACC3606 alone this semester and postpone ACC3615 to their fourth year.

Accounting theory is an advanced capstone module. The module builds on your detailed knowledge of the accounting standards including areas covered in ACC3606 such as financial instruments, consolidation and foreign currency translation.

Teaching Modes
We teach the module in a seminar format, with two 2-hour seminar classes each week. In most weeks, the lecturer will lead a discussion of the week's study materials in the first session, while the second session will be devoted to practice problems and student presentations.
Syllabus

1. Relevance

- Implications of efficient markets for accounting
- The information perspective
- The Measurement perspective—fair value accounting

2. Reliability

- The positive theory of accounting
- Accounting and agency theory
- Accounting and executive compensation
- Earnings Management

3. Standard Setting

- The economics of standard-setting
- The politics of standard-setting
- The Conceptual Framework
- History, current status and international differences
- Selected current issues

Assessment

This is a 100% continuous assessment (CA) module. The weight for different components is as follows:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Class participation</td>
<td>10</td>
</tr>
<tr>
<td>Quiz</td>
<td>5</td>
</tr>
<tr>
<td>Group Project</td>
<td>20</td>
</tr>
<tr>
<td>Midterm test (open-book)</td>
<td>30</td>
</tr>
<tr>
<td>Final test (open-book)</td>
<td>35</td>
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Pre-Clusions

Students who have passed FNA3129 are not allowed to take ACC3615.

Text & Readings