



Course and Examination Fact Sheet: Spring Semester 2020

8,102: Financial Reporting

ECTS credits: 4

Overview examination/s

(binding regulations see below)

Central - Written examination (100%, 90 mins.)

Attached courses

Timetable -- Language -- Lecturer

[8,102,1.00 Financial Reporting](#) -- Englisch -- [Linden Karla](#) , [Dinh Tami](#)

Course information

Course prerequisites

Students of this course are expected to have a basic understanding of introductory accounting and bookkeeping.

Students are given the choice between English and German as the course language for the core subject "Financial Reporting" (both lecture and tutorial). It is required that students commit to the one course or the other only. Please note that the general learning objectives are the same for both the course offered in English and the one offered in German. However, specific course contents, curriculum and textbooks/reference books may differ. Both lecturers are solely responsible for their specific course. Accordingly, the exams will be prepared independently by both lecturers and will refer to their specific course.

Learning objectives

After this course, students should be able to:

- describe the bases of accounting theory and the conceptual foundations of financial reporting
- recognize, measure, and disclose the main financial positions under IFRS
- critically reflect current developments in international financial reporting
- read and understand financial statements and annual reports.

The aim of this course "Financial Reporting" is to provide students with an advanced perspective on how to read, understand, and critically evaluate financial statements. Students will be equipped with the requirements and techniques under International Financial Reporting Standards (IAS/IFRS). The objective is to encourage students to assess accounting issues taking both a preparer's and a user's view. The course begins with an introduction to accounting theory and the conceptual framework. The course is designed at encouraging critical thinking and problem solving applicable to business and managerial decisions necessary in financial reporting.

Course content

A brief discussion on the harmonization of global accounting standards will give students insights on how IAS/IFRS developed over time. Throughout the course, a series of topics in financial reporting will be covered focusing on the recognition, valuation, and disclosure of the main financial positions. The course finishes with a discussion on ethics in accounting and the reasoning behind recent infamous corporate collapses. At the end of the course students should have gained indepth disciplinary knowledge applicable in local and global contexts.

Both, lectures and tutorials are designed to be interactive to maximize the learning outcome. Participation and contribution is expected by everyone for which it is imperative that class preparation is taken seriously.

Thus, for the **lecture**, we expect that you not only *attend* the lecture, but also familiarize yourself with the prescribed readings prior to the lecture, contribute and participate in the in-class discussions as well as reflect on and apply what you learn.



The **tutorials** will *not* repeat the lecture content, but focus on *applying* it to further foster your knowledge. Being able to complete the exercises of the tutorial will be essential for your success in the exam. The exercises of the tutorial will be distributed during the respective tutorial, and not beforehand. After a short introduction, you will solve the exercises in groups, coached by the lecturer. Subsequently, the results will be discussed in class *without* providing a solution online. As such, also here, attendance and contribution is essential.

Course structure

Topics

Basics of financial reporting

- The process of harmonization
- Accounting theory
- The Framework of the IASB
- Presentation of financial statements (IAS 1)

Fixed (non-current) tangible assets

- Fixed assets
- Property, plant and equipment (IAS 16)
- Investment properties (IAS 40)
- Borrowing costs (IAS 23)

Intangible assets and impairment

- Intangible assets (IAS 38)
- Impairment (IAS 36)
- Cash-generating unit

Leases

- Leases (IAS 17 and IFRS 16)

Inventories and construction contracts

- Inventories (IAS 2)
- Construction contracts (IAS 11)

Revenue

- Revenue (IAS 18)
- Revenue Recognition (IFRS 15)

Statement of Cash Flows

- Statement of Cash Flows (IAS 7)

Provisions and contingent liabilities/assets

- Provisions (IAS 37)
- Contingent liabilities (IAS 37)
- Contingent assets (IAS 37)

Financial Instruments

- Financial Instruments: Recognition, Measurement (IAS 39)
- Financial Instruments (IFRS 9)
- Financial instruments: Presentation (IAS 32)
- Financial Instruments: Disclosures (IFRS 7)

Disclosure Issues

- Segmental reporting (IFRS 8)
- Events after the reporting period (IAS 10)



- Earnings per share (IAS 33)
- Interim financial reporting (IAS 34)

Corporate Governance, Corporate Social Responsibility, Ethics

- Provision of information to stakeholders
- Corporate social responsibility
- Corporate governance
- Ethics in accounting

Course literature

Textbook and readings

- International Financial Reporting and Analysis, 7th edition (2017): Alexander, Britton, Jorissen, Hoogendoorn and v. Mourik (ISBN 978-1-4737-2545-4)
- Applying IFRS Standards, 4th edition (2016): Picker, Clark, Dunn, Kolitz, Livne, Loftus and v.d. Tas (ISBN: 978-1-119-15922-3)

Most current IAS/IFRS as published by the International Accounting Standards Board (IASB)

Reference books

- Aerts/Walton: "Global Financial Accounting and Reporting", 3e, ISBN-13: 9781408062869
- Alexander/Nobes: "Financial Accounting - An International Introduction", 5e, ISBN-13: 9780273773436

Additional course information

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Examination information

Examination sub part/s

1. Examination sub part (1/1)

Examination time and form

Central - Written examination (100%, 90 mins.)

Remark

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Examination-aid rule

Extended Closed Book

The use of aids is limited; any additional aids permitted are exhaustively listed under "Supplementary aids". Basically, the following is applicable:

- At such examinations, all the pocket calculators of the Texas Instruments TI-30 series and mono- or bilingual dictionaries (no subject-specific dictionaries) without hand-written notes are admissible. Any other pocket calculator models and any electronic dictionaries are inadmissible.
- In addition, any type of communication, as well as any electronic devices that can be programmed and are capable of communication such as notebooks, tablets, PDAs, mobile telephones and others, are inadmissible.
- Students are themselves responsible for the procurement of examination aids.

Supplementary aids

No further means of aid are allowed.

Examination languages

Question language: English

Answer language: English



Examination content

- The exam will cover material from the entire course taught in both the lectures and the tutorials
- Slides for each topic are made available on Canvas. In addition, students are expected to read the relevant chapters of the suggested textbook and reference books.
- Students will be assessed on understanding rather than memorizing.

Examination relevant literature

- Slides for the course are based on the textbook. When preparing for the exam, students are expected to read the relevant chapters of the suggested textbook and reference books.
- In addition, throughout the course the lecturer may provide additional readings, which are relevant for the exam.

Please note

Please note that this fact sheet alone is binding and has priority over any other information such as StudyNet (Canvas), personal databases or faculty members' websites and information provided in their lectures, etc.

Any possible references and links within the fact sheet to information provided by third parties are merely supplementary and informative in nature and are outside the University of St.Gallen's scope of responsibility and guarantee.

Documents and materials that have been submitted no later than the end of term time (CW21) are relevant to central examinations.

Binding nature of the fact sheet:

- Information about courses and examination time (central/decentral) and examination type starting from the beginning of the bidding on 23 January 2020
- Information about examinations (examination aid regulations, examination content, examination-relevant literature) for decentral examinations after the 4th semester week on 16 March 2020
- Information about examinations (examination aid regulations, examination content, examination-relevant literature) for central examinations as from the starting date for examination registration on 6 April 2020

Please consult the fact sheet again after these deadlines have expired.