



## Course and Examination Fact Sheet: Spring Semester 2021

### 8,102: Financial Reporting

ECTS credits: 4

#### Overview examination/s

(binding regulations see below)

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

Examination time: inter-term break

#### Attached courses

Timetable -- Language -- Lecturer

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

[8,102,2.01 Financial Reporting: Exercises, Group 1](#) -- Englisch -- [Linden Karla](#)

[8,102,2.02 Financial Reporting: Exercises, Group 2](#) -- Englisch -- [Linden Karla](#)

#### 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 in-depth 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 shortly before the respective tutorial, and not beforehand. After a short introduction, you will solve the exercises in groups, coached by the lecturer. As such, also here, attendance and contribution is essential.

Due to the uncertain health situation, all lectures and tutorials will be conducted online via Zoom. There will be a different range of interactive elements so **live participation is highly encouraged**. Students are asked to turn on their cameras to create a more personal atmosphere. The recordings of the course will be made available for 30 days.

## 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, 8th edition (2020): Alexander, Jorissen, Hoogendoorn, Van Mourik and Kirwan (ISBN: 978147376685)
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- Applying IFRS Standards, 4th edition (2016): Picker, Clark, Dunn, Koltitz, 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

In the case of the President's Board having to implement new directives due to the SARS-CoV-2 pandemic in SpS 2021, the course information listed above will be changed as follows:

There are no changes necessary to the course information.

The examination information listed below would be changed as follows:

There are no changes necessary to the examination information.

## Examination information

### Examination sub part/s

#### 1. Examination sub part (1/1)

##### Examination time and form

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

Examination time: inter-term break

##### 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, 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

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## 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 only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 12 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 28 January 2021);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 22 March 2021);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 12 (Monday, 22 March 2021);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the registration period in CW 14 (Thursday, 8 April 2021).