

International Accounting
ACCOUNT 783
Fall 2018

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Office Hours	MoWe 2:00 pm – 5:00 pm TuTh 12:45 pm – 1:45 pm Other office hours by appointment or as announced in class.
Class Time/Room	Section 1: TuTh 11:00 am – 12:15 pm / Hyland 2314 Section 2: TuTh 3:30 pm – 4:45 pm / Hyland 2203

Textbooks: Selected readings from the following textbooks:

- *International Accounting* is a customized book of selected chapters from McGraw-Hill (available in the *University Bookstore*); ISBN 1308798881.
- Other required readings will be organized in D2L folders.
- Optional: *Intermediate Accounting* by Kieso, Weygandt, and Warfield (“KWW”). This is the same book that was required for Intermediate I & II (ACCOUNT 261 & 343). Editions that contain the “IFRS Insight” section at the end of each chapter are acceptable.

Course Description: This course examines the international dimension of accounting and financial reporting for multinational enterprises. Topics include (a) the international standard-setting process, including convergence with US GAAP, (b) IFRS for recording transactions and preparing financial statements, (c) a detailed comparison of IFRS and US GAAP, (d) foreign currency translations and accounting for changing prices, (e) international taxation and transfer pricing.

Course Prerequisites: Intermediate Accounting I and II (ACCOUNT 341 and 343)

Course Objectives: Upon the successful completion of this course, students should be able to:

1. Communicate a general understanding of the development of accounting standards in the global environment, including convergence efforts.
2. Apply the rules and principles, which govern the preparation of financial statements for organizations which use international accounting standards (IFRS).
3. Compare and contrast US-GAAP with IFRS for selected significant accounting topics (e.g., inventories, property, plant, and equipment, accounting for changing prices, etc.).
4. Account for hedging strategies that attempt to minimize risk exposure to foreign currency exchanges.
5. Determine transfer prices between related foreign entities to (a) minimize tax liabilities and (b) use appropriate IRS provisions (e.g., subpart F income, foreign credits, etc.).

University Statement: The University of Wisconsin-Whitewater is dedicated to a safe, supportive and nondiscriminatory learning environment. It is the responsibility of all undergraduate and graduate students to familiarize themselves with University policies regarding Special Accommodations, Academic Misconduct, Religious Beliefs Accommodation, Discrimination and Absence for University Sponsored Events. For details please refer to the Undergraduate and Graduate Time- tables; the *Rights and Responsibilities* section of the Undergraduate Catalog; the *Academic Requirements and Policies and the Facilities and Services* sections of the Graduate

Catalog; and the *Student Academic Disciplinary Procedures* (UWS Chapter 14); and the *Student Nonacademic Disciplinary Procedures* (UWS Chapter 17).

College of Business & Economics Student Honor Code: As members of the University of Wisconsin-Whitewater College of Business and Economics community, we commit ourselves to act ethically in all aspects of our academic lives. As students, we promise that our work demonstrates the highest integrity. We will not misrepresent our work, nor plagiarize, nor use unauthorized aid to gain a higher academic standing. As we participate in our academic setting, we commit to promoting diversity and professionalism in our classrooms. We encourage participation from all members of our community, showing respect for others' personal dignity, rights and freedoms. We will value the academic property that is Hyland Hall as well as the property of individuals throughout the UW-Whitewater campus. We choose to endorse this set of values, thereby accepting responsibility for acting by these principles.

Accounting Department Mission Statement: To provide a comprehensive accounting curriculum that prepares students for success in accounting and business. Interactions between students, faculty and the profession nurture an appreciation for the roles of ethics, service, professionalism and diversity in the profession. We prepare our students to meet real world challenges. Our learning experiences and content are driven by academic research and professional development.

MPA Program Learning Goals: Students who graduate from the MPA program will be able to

1. Demonstrate an understanding of advanced topics and theoretical foundations of accounting, audit, and taxation,
2. Make judgments about complex and unstructured accounting issues, and
3. Demonstrate effective oral and written communication of technical accounting issues, collaborative and interpersonal skills, and the ability to understand and respond to ethical challenges and diverse interests.

COURSE POLICIES

Plagiarism Policy: Turnitin software will be used in this course. Turnitin Originality Check is a web-based system that allows student papers to be submitted and checked for plagiarism. It compares student papers with sources available on the Internet, select commercial article databases, and papers submitted at Whitewater and other institutions that use Originality Check.
<http://www.uww.edu/cobe/d2l/plagiarism>

Attendance Policy: Daily attendance in an accounting class is very important. A large amount of new material is presented in each class session. Frequently, what is learned in one class session is used heavily in introducing new concepts in the next class session. It is the policy of this University and the Accounting Department that daily attendance is expected. Accordingly, your absence will be excused only under extenuating circumstances and your reason must be communicated to me via email at the earliest possible time. Regardless of whether the absence is excused, you will be held responsible for any material presented and/or discussed in class (but please do not come to me for class notes; get them from a fellow student because they were there when the notes were generated) as well as for making up for any graded items missed.

Professionalism Policy: Behaving as a professional is expected in this course and in the College of Business and Economics. Missing class (excluding excused absences), arriving late, leaving early, side conversations during lecture or class discussions, and using cell phones (including texting) during class are disruptive to the class. Cell phones should be turned off and remain out-of-sight (e.g., in your pocket, purse, or backpack) during class. Group members are expected to treat one another like a professional business colleague (e.g., sharing responsibility for group assignments). Any instances of unprofessional behavior will reduce only that student’s score on the related graded item.

Grading Policy: Course grades will be based upon your performance on the components provided below. Final (course) grades *may* be curved based upon the class average, question psychometrics, and assignment difficulty, but the minimum standards depicted in the grading scale are guaranteed.

1) Grading Scale:

Grade	Point Range	Percent	Grade	Point Range	Percent
A	368-400	92.00%	B-	320-327	80.00%
A-	360-367	90.00%	C+	312-319	78.00%
B+	352-359	88.00%	C	288-311	72.00%
B	328-351	82.00%			

No course in which a grade of below C has been earned may be applied toward the completion of an MPA degree; the grading scale for these grades follows: C-=70%, D+=68%, D=62%, D-=60%, F=below 60%.

2) Grade Components: Below is an approximation of the points and weights for each component:

Item	Maximum Points	Your Points
Assignments	190 (47.5%)	
Exam 1	70 (17.5%)	
Exam 2	70 (17.5%)	
Exam 3	70 (17.5%)	
Total	400 (100.0%)	

Assignments (190 points)

Students will be completing several types of assignments throughout the course. Class discussions of the material are an important part of the learning process, and also help to develop the communication skills that potential employers value. Accordingly, you are expected to complete the required readings and assignments **before** the beginning of class to ensure that you are prepared to **actively participate** in the class discussion. For assignments completed in groups, students will be assigned to different groups for each assessment period and must remain in the same group during an assessment period.

Comprehensive Project (100 points)

This project provides students with an opportunity to get “real world” exposure to international accounting issues by having you analyze corporate annual reports prepared under both IFRS and U.S. GAAP, as well as interact with individuals in practice and in the community. Throughout the semester, students will complete submissions pertaining to this project. Refer to the assignment instructions posted on D2L.

FASB/IASB Major Joint Project Assignment (30 points)

Groups of students will choose one of the FASB/IASB major joint projects that will be covered during the second assessment period of the course. Groups will then present on their chosen project. Refer to the assignment instructions posted on D2L.

Case Studies and Other Assignments (60 points)

Groups will be completing two types of case studies throughout the course: written and unwritten. For written case studies, in addition to completing an in-class submission, students must submit appropriate documentation for the assigned case study questions to the appropriate D2L dropbox by the beginning of class on the dates indicated in the course schedule below.

Professional writing is expected (refer to the professional writing rubric posted on D2L).

Throughout the course, additional unwritten case studies and other assignments will also be used. For these assignments, students are not required to submit documentation for the assigned case study questions before the beginning of class, but rather, should come prepared to complete an in-class submission on the dates indicated in the course schedule below.

Exams (210 points)

Three exams will be administered in this course as indicated on the course schedule. The format will consist of objective-type questions (e.g., true/false statements and multiple-choice questions) and free-response questions (e.g., essays, exercises, and problems). Exams cover assigned readings and information presented in class. Exams may include a take-home portion that must be submitted to the appropriate D2L dropbox by the start of the in-class portion of the exam. Such take-home portions will be graded for both accuracy and writing. You may discuss such take-home portions with other students currently enrolled in Account 783; however, the response that you submit must be your own.

Syllabus Policy: This syllabus is subject to change as the semester progresses. Any changes will be posted to D2L and announced in class.

COURSE SCHEDULE

All required readings and assignments must be completed **before** the beginning of class on the date indicated.

Date	Topic	Required Readings and Assignment
9/4	Introduction to International Accounting	<ul style="list-style-type: none"> - Read the course syllabus posted on D2L - Read International Accounting ch. 1
9/6	Introduction to IFRS	<ul style="list-style-type: none"> - Complete readings and prepare responses to the assigned discussion questions (refer to document posted on D2L)
9/11	Uncertain Tax Positions; Provisions / Contingencies	<ul style="list-style-type: none"> - Sign up for your companies for the “Comprehensive Project” on each D2L discussion board (refer to assignment instructions posted on D2L) - Read “GAAP Comparison Paper” III.P and III.W (Uncertain tax positions) - Read EYARC: Current liabilities and contingencies (slides 22-37) - Read EYARC: Income taxes (slides 22-29) - Read https://home.kpmg.com/uk/en/home/insights/2017/06/tmd-ifric-23-uncertainty-over-income-tax-treatments.html
9/13		<ul style="list-style-type: none"> - Read “GAAP Comparison Paper” III.N - Read EYARC: Current liabilities and contingencies (slides 38-57) - Submit responses to the “Targeted for Termination” case study to the D2L dropbox
9/18	Inventory; Property, Plant, and Equipment	<ul style="list-style-type: none"> - Read “GAAP Comparison Paper” III.H and III.K - Read EYARC: The impact of IFRS on the tax function (slides 1-7) - Read EYARC: Property, plant, and equipment (slides 31-41, 53-58)
9/20		<ul style="list-style-type: none"> - Read EYARC: Property, plant, and equipment (slides 42-52)
9/25		Intangible Assets
9/27	<ul style="list-style-type: none"> - Read “GAAP Comparison Paper” III.V - Read EYARC: Intangibles (slides 50-56) - Prepare responses to the “Sophisticated Software, Inc” case questions 	
10/2	Comprehensive Project; Review	<ul style="list-style-type: none"> - Submit Part 1 of the “Comprehensive Project” to the D2L dropbox - Submit a question or insight to the D2L discussion board by noon on 10/1
10/4	Exam 1	
10/9	Foreign Currency Transactions	<ul style="list-style-type: none"> - Read International Accounting ch. 7 pp. 339-349
10/11		<ul style="list-style-type: none"> - Read International Accounting ch. 7 pp. 377-379
10/16	FASB/IASB Major Joint Project Presentations	<ul style="list-style-type: none"> - Submit presentation to the D2L dropbox (<i>on the date that your group is presenting</i>)
10/18		
10/23	Leases	<ul style="list-style-type: none"> - Prepare responses to the “HTI, Inc.” case questions

Date	Topic	Required Readings and Assignment
10/25	Hedging Foreign Exchange Risk	- Read International Accounting ch. 7 pp. 349-363, 368-371
10/30		- Read International Accounting ch. 7 pp. 363-368, 371-377
11/1		- Submit responses to the “Foreign Currency Transactions & Hedging” case study to the D2L dropbox
11/2 (Fri)	Junior Achievement Field Trip	
11/6	Comprehensive Project; Review	- Submit Part 2 of the “Comprehensive Project” to the D2L dropbox - Submit a question or insight to the D2L discussion board by noon on 11/5
11/8	Exam 2	
11/13	Translation of Foreign Currency Financial Statements	- Read International Accounting ch. 8 pp. 403-424
11/15		- Read International Accounting ch. 8 pp. 424-434
11/20	Inflation Accounting	- Read International Accounting ch. 9 pp. 449-463
11/27	International Taxation; Review	- Readings and assignments TBD
11/29		
12/4		
12/6		- Submit a question or insight to the D2L discussion board by noon on 12/5
12/11	Exam 3	
12/18	Comprehensive Project; Course Wrap-Up	- Submit Part 3 of the “Comprehensive Project” to the D2L dropbox