

# Syllabus

for course at advanced level

**Accounting theory and IFRS**  
**Redovisningsteori och IFRS**

**7.5 Higher Education**  
**Credits**  
**7.5 ECTS credits**

<b>Course code:</b>	FE5427
<b>Valid from:</b>	Spring 2014
<b>Date of approval:</b>	2013-12-02
<b>Department</b>	Stockholm Business School
<b>Main field:</b>	Företagsekonomi
<b>Specialisation:</b>	A1N - Second cycle, has only first-cycle course/s as entry requirements

## Decision

This syllabus was approved by the Educational Committee at Stockholm University School of Business revised 2013-12-02.

## Prerequisites and special admittance requirements

Degree of Bachelor worth at least 180 credits, or admission to Business Studies IV, Extended Course or Business Studies IV, Magister's Course, Master's programme, or equivalent.

## Course structure

Examination code	Name	Higher Education Credits
5423	Accounting theory and IFRS	7.5

## Course content

Due to increased globalization of financial markets and internationalization of operations of large corporate organizations, there is a need of a single set of high quality financial reporting standards. International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), have been issued to fill this need. Many major countries have either mandated IFRS or have established time lines to adopt or converge with IFRS in the near future. IFRS have been mandated by the European Union (EU) parliament since January 2005 for companies listed on regulated markets.

This course provides an increased understanding of how to apply IFRS:s in accounting for practical circumstances, and discusses IFRS:s in the light of accounting theory, thereby creating an ability in the student 1) to understand the complexities of selected elements of financial reporting and accounting principles applicable to IFRS, 2) apply this knowledge to these elements of financial reporting, and 3) to, from a theoretical perspective, scrutinize and challenge conceptions around IFRS.

## Learning outcomes

Intended Learning Objectives

The overall aim of the course is to provide the students with knowledge regarding the relationship between accounting theory and the current development of standard setting and standards and to combine these in order to know how to undertake recognition and valuation of transactions in financial reporting.

Upon completion of the course, students should be able to:

## Knowledge and understanding

1. Define and explain concepts and methods relating to accounting theory towards the IASB conceptual framework.
2. Understand the general principles regarding methods for recognition and measurement of selected elements of International Financial Reporting Standards.

## Skills and abilities

3. Based on knowledge of accounting theory, apply methods for recognition and measurement requirements for elements of financial statements according to IFRS by the International Accounting Standards Board.

## Judgement and approach

4. Reflect on the linkage between accounting theory and methods for recognition and measurement of transactions to elements of financial reporting in IFRS.
5. Combine achieved skills regarding elements of financial reporting in order to undertake recognition and measurement of transactions using International Financial Reporting Standards.

## Education

The course consists of a combination of lectures, seminars and group work and requires a significant portion of self-study on the part of students. Assessment for the course will be continuous and is carried throughout the different activities of the course.

The course workload (model: 40 hours per week equivalent to 1,5 ECTS) is allocated as follows:

Teacher-led lectures: 27 hours

Teacher-led seminars: 2 hours

Quizzes: 72 hours

Self-studies: 95 hours

Assessment: 4 hours

Total workload: 200 hours equivalent to 7,5 ECTS.

Lectures include an amount of at least 6 hours of methods for calculations of transactions regarding elements of IFRS performed in class.

The language of instruction is English.

Please note that all teaching and learning activities - such as lectures, seminars, assignments and assessment tasks – are carried out in English when the language of instruction is English.

## Forms of examination

Assessment for the course will be continuous and is carried throughout the different course activities. Each assessment task is weighted in relation to its importance in the overall assessment of the course. The student's results from the different assessment tasks are added up to a total course score that will then translate into the final grade for the course.

## Assessment tasks

The course contains the following weighted assessment tasks:

1. Individual final examination: assesses intended learning outcomes 1, 2, 3, 5; constitutes 60% of total course points.
2. Group paper: assesses intended learning outcomes 1, 2, 3, 4; constitutes 20% of total course points.

3. Quizzes (3): assesses intended learning outcomes 1, 2, 3, 4, 5; constitutes 20% of total course points.

### Grading

After completion of the course, students will receive grades on a scale related to the intended learning outcomes of the course. Passing grades are A, B, C, D and E. Failing grades are Fx and F. A grade Fx can be completed for a grade E.

A course comprises 0–100 course points. Receiving a final passing grade requires  $\geq 50$  course points. The scale for the final grade is tied to fixed score intervals: A: 90-100; B: 80-89; C: 70-79; D: 60-69; E: 50-59; Fx: 45-49; F: 45. The grades correspond to the total score points a student obtains (over a total of 100) for all the weighted assessment tasks combined as part of the continuous assessment for the course.

Each assessment task is awarded 0–100 points. The score for a single assessment task is the number of points multiplied by its percentage weight, and the combined total of score points for all assessment tasks for the course are added up to a final score between 0 and 100 which then translates into a corresponding final course grade between A and F.

Assessment tasks 1 and 2 are assessed on a 100-point scale.

Assessment task 3 is assessed on a 100-point scale in three intervals:

- Pass with distinction: 3 quizzes = 100 points.
- Pass: 2 quizzes = 50 points.
- Weak: 0–1 quizzes = 0 points.

The student is responsible for completing the course's assessment tasks: that a sufficient amount of course points is earned and a passing course grade is obtained. The course's final assessment task can only be taken twice: 1) during the course, its first final assessment task; and, if a passing result ( $\geq 50$  course points) was not achieved at the first occasion, 2) in the course's second, scheduled final assessment task. All other assessment tasks are only offered once during the course.

A passing grade (A–E) in the course is obtained when a student has achieved  $\geq 50$  course points.

A failing grade (Fx or F) in the course is obtained when a student has not achieved  $\geq 50$  course points:

- If 45–49 course points are achieved, a grade Fx is obtained, which can be completed for a grade E within 3 semester weeks after receiving instructions from the course director. If a complementary task is not completed within this time limit, and the course's two final assessment tasks have been accomplished, the course grade Fx is confirmed, implying that the student must re-register for the course and that previously acquired course points are forfeited. Note that first-time registered students have priority access to the seminar groups.
- If 45 course points are achieved, a grade F is obtained, implying that the entire course must be retaken and that previously acquired course points are forfeited.

Students receiving a passing grade may not retake the final examination or complete a previously not completed assessment task to attain a higher grade. A passing grade may not be turned into a failing grade upon the request of a student.

### Assessment criteria

Assessment criteria are designed as overall assessments, combined qualitative descriptions of what the student is expected to do in order to demonstrate how well the course's learning outcomes are achieved. The assessment criteria are based upon the general abilities as expressed in the degree objectives of the Higher Education Ordinance (appendix 2, System of Qualifications). The list of abilities below is a compilation of these degree objectives. To pass the course (grade E) students should demonstrate general ability to:

- recall, understand and explain course content, the course subject and its scientific basis and methodology;
- apply course content;
- critically analyse course content;

- problematise course content;
- orally and in writing, present and discuss course content;
- assess course content in terms of scientific, social, and ethical aspects;
- meet standards of written presentation and formal accuracy.

The following assessment criteria are used to decide to what extent students have demonstrated these abilities and hence fulfil the course's intended learning outcomes, whereby a grading decision can be made. A higher grade-level presupposes the abilities at lower levels.

#### A (Excellent) ☐

The student demonstrates ability to evaluate and relate to the content of the course from a comprehensive, critically reflective perspective, as well as to transfer and apply insights in new, meaningful contexts.

#### B (Very Good) ☐

The student demonstrates ability to, from an overarching and coherent perspective of the field, understand and use concepts to explain how different aspects of the course relate to each other, interconnect and become meaningful.

#### C (Good) ☐

The student demonstrates good ability to discuss the content, tasks and complex issues dealt with in the course from several, often well-developed but mainly independent perspectives.

#### D (Satisfactory) ☐

The student demonstrates satisfactory ability to discuss the content, tasks and complex issues dealt with in the course in a way that, albeit in-depth and elaborate, is decidedly one-dimensional.

#### E (Sufficient) ☐

The student demonstrates sufficient ability to discuss the content, tasks and complex issues dealt with in the course in a way that is decidedly one-dimensional.

#### Fx (Fail) ☐

The student's knowledge, skills and abilities display minor flaws, overall or in significant parts.

#### F (Fail) ☐

The student's knowledge, skills and abilities display major flaws, overall or in significant parts.

#### **Interim**

If the course is discontinued, or its contents are substantially altered, students have the right to be examined according to this syllabus once per semester for three further semesters.

#### **Limitations**

This course may not be included in a degree together with a course, taken in Sweden or elsewhere, of identical or partially similar content.

#### **Required reading**

##### Required Reading

Picker, R., Leo, K., Loftus, J., Wise, V., Clark, K. and Alfredson K. (2013). Applying International Financial Reporting Standards, 3rd edition. Wiley. ISBN: 9780730302124.

A selection of academic articles (updated each semester, see the study guide).