ACC706 ACCOUNTING THEORY AND ISSUES T326 BRIEF

All information in the Subject Outline is correct at the time of approval. KOI reserves the right to make changes to the Subject Outline if they become necessary. Any changes require the approval of the KOI Academic Board and will be formally advised to those students who may be affected by email and via Moodle.
Information contained within this Subject Outline applies to students enrolled in the trimester as indicated

1. General Information

1.1 Administrative Details

Associated HE Award(s)	Duration	Level	Subject Coordinator
Master of Accounting Master of Professional Accounting	1 trimester	Postgraduate	Sheren Shafei Sheren.shafei@koi.edu.au P: +61 (2) 9283 3583 Level 7-11, 11 York Street Consultation: via Moodle or by appointment

1.2 Core / Elective

This is a core subject for the above courses.

1.3 Subject Weighting

Indicated below is the weighting of this subject and the total course points.

Subject Credit Points	Total Course Credit Points
4	MAcc 48; MPA 64

1.4 Student Workload

Indicated below is the expected student workload per week for this subject

No. timetabled hours/week*	No. personal study hours/week**	Total workload hours/week***
3 hours/week plus supplementary online material	7 hours/week	10 hours/week

* Total time spent per week at lectures and tutorials
** Total time students are expected to spend per week in studying, completing assignments, etc.
*** Combination of timetable hours and personal study.

1.5 Mode of Delivery Mode of Delivery Classes will be face-to-face or hybrid. Certain classes will be online (e.g., special arrangements).

1.6 Pre-requisites ACC700 Principles of Accounting, ACC701 Financial Accounting and ACC705 Corporate Accounting and Reporting.

1.7 General Study and Resource Requirements

- Students are expected to attend classes with the weekly worksheets and subject support material provided in Moodle. Students should read this material before coming to class to improve their ability to participate in the weekly activities.

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- Students will require access to the internet and their KOI email and should have basic skills in word processing software such as MS Word, spreadsheet software such as MS Excel and visual presentation software such as MS PowerPoint.
- Computers and WIFI facilities are extensively available for student use throughout KOI. Students are encouraged to make use of the campus Library for reference materials.

Resource requirements specific to this subject: Students should have a non-programmable calculator – applications in smartphones will not be sufficient to perform the required calculations in class. Students will also need access to a computer and the internet for research purposes.

1.8 Academic Advising

Academic advising is available to students throughout teaching periods including the exam weeks. As well as requesting help during scheduled class times, students have the following options:

- Consultation times: A list of consultation hours is provided on the homepage of Moodle where appointments can be booked.
- Subject coordinator: Subject coordinators are available for contact via email. The email address of the subject coordinator is provided at the top of this subject outline.
- Academic staff: Lecturers and Tutors provide their contact details in Moodle for the specific subject. In most cases, this will be via email. Some subjects may also provide a discussion forum where questions can be raised.
- Head of Program: The Head of Program is available to all students in the program if they need advice about their studies and KOI procedures.
- Vice President (Academic): The Vice President (Academic) will assist students to resolve complex issues (but may refer students to the relevant lecturers for detailed academic advice).

2. Academic Details

2.1 Overview of the Subject

This subject engages students to develop a deeper appreciation of the function of accounting in today's complex business environment. Students will be introduced to the role of theory in the development, application and regulation of accounting. The subject builds on students' technical skills and their foundational knowledge of accounting practice. Topics include theory development in accounting, normative accounting theories, positive accounting theories, traditional approaches to the formulation of accounting, standard setting and institutional arrangements, ethics in accounting, social and environmental accounting issues, and professional judgement in accounting.

2.2 Graduate Attributes for Postgraduate Courses

Graduates of Postgraduate courses from King's Own Institute will achieve the graduate attributes expected from successful completion of a Master's degree under the Australian Qualifications Framework (2nd edition, January 2013). Graduates at this level will be able to apply an advanced body of knowledge from their major area of study in a range of contexts for professional practice or scholarship and as a pathway for further learning.

King's Own Institute's generic graduate attributes for master's level degree are summarised below:

	KOI Master's Degree Graduate Attributes	**Detailed Description**
	Knowledge	Current, comprehensive and coherent knowledge, including recent developments and applied research methods

	Critical Thinking	Critical thinking skills to identify and analyse current theories and developments and emerging trends in professional practice
	Communication	Communication and technical skills to analyse and theorise, contribute to professional practice or scholarship, and present ideas to a variety of audiences
	Research and Information Literacy	Cognitive and technical skills to access and evaluate information resources, justify research approaches and interpret theoretical propositions
	Creative Problem Solving Skills	Cognitive, technical and creative skills to investigate, analyse and synthesise complex information, concepts and theories, solve complex problems and apply established theories to situations in professional practice
	Ethical and Cultural Sensitivity	Appreciation and accountability for ethical principles, cultural sensitivity and social responsibility, both personally and professionally
	Leadership and Strategy	Initiative, leadership skills and ability to work professionally and collaboratively to achieve team objectives across a range of team roles Expertise in strategic thinking, developing and implementing business plans and decision making under uncertainty
	Professional Skills	High level personal autonomy, judgement, decision-making and accountability required to begin professional practice

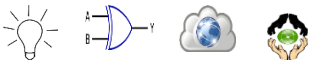
Across the course, these skills are developed progressively at three levels:

- **Level 1 Foundation –** Students learn the skills, theories and techniques of the subject and apply them in stand-alone contexts
- **Level 2 Intermediate –** Students further develop skills, theories and techniques of the subject and apply them in more complex contexts, beginning to integrate the application with other subjects.
- **Level 3 Advanced** – Students have a demonstrated ability to plan, research and apply the skills, theories and techniques of the subject in complex situations, integrating the subject content with a range of other subject disciplines within the context of the course.

2.3 Subject Learning Outcomes

Listed below, are *key* knowledge and skills students are expected to attain by successfully completing this subject:

Subject Learning Outcomes	Contribution to Graduate Attributes
a) Apply knowledge of accounting techniques, concepts, principles and theories to solve complex financial reporting problems	
b) Describe the various theoretical and philosophical approaches to accounting	

c) Consolidate and extend knowledge of the components of financial statements through current accounting issues	
d) Assess the impact of social and environmental factors in accounting.	

2.4 Subject Content and Structure

Below are details of the subject content and how it is structured, including specific topics covered in lectures and tutorials. Reading refers to the text unless otherwise indicated.

Weekly Planner:

Week (beginning)	Topic covered in each week's lecture	Reading(s)	Expected work as listed in Moodle
Week 1 26 October	Contemporary issues in accounting and accounting theory	Ch. 1	Tutorial Discussion focusing on changing business reporting dynamics – ESG in particular
Week 2 02 November	Theories in accounting	Ch. 4	Tutorial discussions and exercises
Week 3 09 November	Principles-based accounting: the conceptual framework and standard setting	Ch. 2 and Ch. 5	Tutorial discussions and exercises Potential Random Weekly Discussion Submission 1
Week 4 16 November	Accounting harmonisation	Ch. 11	Tutorial discussions and exercises **Assessment 1 due (5%): Online Quiz**
Week 5 23 November	Measurement	Ch. 3	Formation of groups Tutorial discussions and exercises
Week 6 30 November	fair value accounting	Ch. 12	Group assessment Review in line with Sustainability initiatives of corporations and their disclosures in integrated Reports.
Week 7 07 December	Voluntary disclosure: sustainability and environmental accounting, integrated reporting The Role of AI in Enhancing Accounting Profession	Ch.10 Moodle readings	Tutorial work on shifting towards Environmental, Social and Governance Aspects – Moodle Reading & Discussion Potential Random Weekly Discussion Submission 2 - Case study Technology Readiness of Future Accountants
Week 8 14 December	Behavioural research in accounting	Moodle readings	Tutorial discussions and exercises
Week 9 04 January	Earnings management and quality	Ch. 9	Tutorial discussions and exercises

Week 10 11 January	Capital market research in accounting and ethics	Ch. 8 Moodle readings	**Group report due** **Video Presentation due** **Group video presentations** Potential Random Weekly Discussion Submission 3 - https://online.hbs.edu/blog/post/ethical-considerations-of-ai
Week 11 18 January	Corporate governance: culture and financial reporting	Ch. 6	**Group video presentations**
Week 12 25 January	Revision		Final Exam Revision exercises
Week 13 01 February	Study review week and Final Exam Week		
Week 14 08 February	- Final Exam Week - Continuing students - enrolments for T127 open	Please see the exam timetable for the exam date, time and location	
Week 15 15 February	Student Vacation begins New students - enrolments for T326 open		
Week 16 22 February	• Results Released • Review of Grade Day for T326 – see Sections 2.6 and 3.2 below for relevant information. • Certification of Grades NOTE: More information about the dates will be provided at a later date through Moodle/KOI email.		
T127 01 March 2027			
Week 1 01 March	Week 1 of classes for T127		

2.5 Teaching Methods/Strategies

Briefly described below are the teaching methods/strategies used in this subject:

- *Lectures* (1 hour/week) are conducted in seminar style and address the subject content, provide motivation and context and draw on the students' experience and preparatory reading.
- *Tutorials* (2 hours/week) include class discussion of case studies and research papers, practice sets and problem-solving and syndicate work on group projects. Tutorials often include group exercises and so contribute to the development of teamwork skills and cultural understanding. Tutorial participation is an essential component of the subject and contributes to the development of many of the graduate attributes (see section 2.2 above). Tutorial participation contributes towards the assessment in many subjects (see details in Section 3.1 for this subject). Supplementary tutorial material such as case studies, recommended readings, review questions etc. will be made available each week in Moodle.
- *Online* teaching resources include class materials, readings, model answers to assignments and exercises and discussion boards. All online materials for this subject as provided by KOI will be found in the Moodle page for this subject. Students should access Moodle regularly as material may be updated at any time during the trimester
- *Other contact* - academic staff may also contact students either via Moodle messaging, or via email to the email address provided to KOI on enrolment.

2.6 Student Assessment

Provided below is a schedule of formal assessment tasks and major examinations for the subject.

Assessment Type	When assessed	Weighting	Learning Outcomes Assessed
Assessment 1: Online Quiz	Week 4	5%	a, b, c
Assessment 2: Individual Weekly Discussion Submission	3 random submissions (between weeks 2-11) - one submission before week 4 3 submissions x 5% each = Total 15%	15%	a, b, c
Assessment 3: Group assignment with weekly individual component	Weekly progress repor from week 7 to week 9 Report due week 10 Presentation materials: week 10 Presentations: week 11	Weekly in-class progress report 5% Group report 10% Presentation 15% Total 30%	a, b, c, d
Assessment 4: Final examination 2 hours + 10 mins reading time	Final exam period	50%	a, b, c, d

Requirements to Pass the Subject:

To gain a pass or better in this subject, students must gain a *minimum of 50%* of the total available subject marks.

2.7 Prescribed and Recommended Readings

Provided below, in formal reference format, is a list of the prescribed and recommended readings.

Prescribed Text:

Rankin, M., Stanton, P., McGowan, S. and Ferlauto, K. 2023. *Contemporary issues in accounting*. 3rd ed. Milton, Qld.: John Wiley & Sons.

Recommended Readings:

Alazzabi, W.Y.E., Mustafa, H. and Karage, A.I., 2023. Risk management, top management support, internal audit activities and fraud mitigation. Journal of Financial Crime, 30(2), pp.569-582.

Brink, S.M., 2023. Exploring accounting students' experiences during the COVID-19 pandemic to inform teaching and learning decision-making post pandemic. Journal of Applied Research in Higher Education.

Carnegie, G.D., Gomes, D. and McBride, K., 2023. COVID-19 and accounting as multidimensional technical, social and moral practice: a framework for future research. Meditari Accountancy Research, 31(1), pp.1-26.

Comoli, M., Tettamanzi, P. and Murgolo, M., 2023. Accounting for 'ESG'under Disruptions: A Systematic Literature Network Analysis. Sustainability, 15(8), p.6633.

Deegan, C. 2022. Financial accounting theory, 5th ed. Cengage Learning.

De Lange, P., O'Connell, B.T., Tharapos, M., Beatson, N. and Oosthuizen, H., 2023. Accounting graduate employability: employer perspectives on skills and attributes of international graduates. Accounting Education, 32(3), pp.249-277.

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Del Gesso, C. & Lodhi, R.N., 2024. Theories underlying environmental, social and governance (ESG) disclosure: a systematic review of accounting studies. Journal of Accounting Literature, 47(2), pp.433–461.

Edgeington, S. and Kasztelnik, K., 2023. The Study on the Impact of Business Artificial Intelligence Innovation on Fair Value Investments in the United States. Journal of Applied Business & Economics, 25(7).

Fatima, T. and Elbanna, S., 2023. Corporate social responsibility (CSR) implementation: A review and a research agenda towards an integrative framework. Journal of Business Ethics, 183(1), pp.105-121.

Fontes, A., Panaretou, A., & Shakespeare, C. (2025). Accounting choice in measurement and comparability: An application to the fair value option. Review of Accounting Studies, 30(2), e-pub ahead of print. https://link.springer.com/article/10.1007/s11142-025-09869-5

Fridson, M.S. and Alvarez, F., 2022. Financial statement analysis: a practitioner's guide. John Wiley & Sons.

Gao, J., 2022. Analysis of enterprise financial accounting information management from the perspective of big data. International Journal of Science and Research (IJSR), 11(5), pp.1272-1276.

Gong, J. J., Mark Young, S., Zhou, A. (2023). Real earnings management and the strategic release of product-related news. Review of Accounting Studies,28:1209–1249. https://link.springer.com/article/10.1007/s11142-023-09793-6

Hombach, K., & Sellhorn, T. (2022). Does every accounting issue need a solution? Accounting and Business Research, 52(5), 540–561.https://www.tandfonline.com/doi/full/10.1080/00014788.2022.2079736

Liu, J., Shi, W., Zeng, C., & Zhang, G. (2023). Does public firms' mandatory IFRS reporting crowd out private firms' capital investment? Journal of Accounting Research, 61(4), 1263–1312. https://doi.org/10.1111/1475-679X.12494

Ludwig, P. and Sassen, R., 2022. Which internal corporate governance mechanisms drive corporate sustainability? Journal of Environmental Management, 301, p.113780.

Mukhuty, S., Upadhyay, A. and Rothwell, H., 2022. Strategic sustainable development of Industry 4.0 through the lens of social responsibility: The role of human resource practices. Business Strategy and the Environment, 31(5), pp.2068-2081.

Peng, L., Teoh, S. H., Wang, Y., Yan, J. (2022). Face value: Trait impressions, performance characteristics, and market outcomes. Journal of Accounting Research, 60(2), 653-705.https://onlinelibrary.wiley.com/doi/epdf/10.1111/1475-679X.12428

Rinaldi, L., 2023, July. Accounting and the COVID-19 pandemic two years on: insights, gaps, and an agenda for future research. In Accounting Forum (Vol. 47, No. 3, pp. 333-364). Routledge.

Schipper, K. (2022). Why do accounting issues end up in the "too difficult" box? Accounting and Business Research, 52(5), 482–506. https://doi.org/10.1080/00014788.2022.2079686

Schroeder, R. G., Clark, M. W., & Cathey, J. M. 2022. Financial accounting theory and analysis: Text and cases (14th ed.). Wiley

Sofian, F.N.R.M., Mohd-Sabrun, I. and Muhamad, R., 2022. Past, present, and future of corporate social responsibility and earnings management research. Australasian Accounting, Business and Finance Journal, 16(2), pp.116-144.

Young-Ferris, A. and Roberts, J., 2023. 'Looking for something that isn't there': a case study of an early attempt at ESG integration in investment decision making. European Accounting Review, 32(3), pp.717-744.

Yuan, B. and Cao, X., 2022. Do corporate social responsibility practices contribute to green innovation? The mediating role of green dynamic capability. Technology in Society, 68, p.101868.

Zhong, Y., Zhao, H. and Yin, T., 2023. Resource Bundling: How Does Enterprise Digital Transformation Affect Enterprise ESG Development? Sustainability, 15(2), p.1319.

References available from EBSCOhost research databases:

- Accounting and Finance
- Australasian Accounting, Business and Finance Journal
- Journal of Financial and Quantitative Analysis
- Review of Accounting Studies

Recommended references:

- Accounting, Auditing & Accountability Journal
- Accounting Research Journal
- Australian Accounting Review
- Australian Journal of Accounting Education
- Contemporary Accounting Research
- In The Black
- Journal of Accounting and Economics
- Journal of Accounting and Public Policy
- Journal of Applied Research in Accounting and Finance

Useful Websites:

The following websites are useful sources covering a range of information useful for this subject. However, most are not considered to be sources of Academic Peer Reviewed theory and research. If your assessments require *academic peer reviewed journal articles* as sources, you need to access such sources using the Library database, Ebscohost, or Google Scholar. Please ask in the Library if you are unsure how to access Ebscohost. Instructions can also be found in Moodle.

- AASB Exposure Draft http://www.aasb.gov.au/admin/file/contenT205/c9/ACCED264_06-15.pdf
- Chartered Accountants Australia and New Zealand www.charteredaccountants.com.au/
- Chartered Accountants Australia and New Zealand News and Analysis https://www.charteredaccountantsanz.com/news-and-analysis
- CPA Australia www.cpaaustralia.com.au
- IFRS Conceptual Framework http://www.ifrs.org/current-projects/iasb-projects/conceptual-framework/Pages/Conceptual-Framework-Summary.aspx
- Institute of Public Accountants www.publicaccountants.org.au/
- Proactive Accountants Network http://proactiveaccountants.net/
- GRI an independent international organization serves a global audience through regional hubs in Brazil, China, Colombia, India, South Africa and the United States. GRI reports are produced in more than 100 countries. https://www.globalreporting.org/Pages/resource-library.aspx ; https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx
- https://ethics.org.au
- https://online.hbs.edu/blog/post/ethical-considerations-of-ai
- https://asic.gov.au/regulatory-resources/corporate-governance/
- https://aicd.companydirectors.com.au/?utm_source=Online&utm_medium=Google+AdWords&utm_campaign=FY20+Google+BRAND&utm_content=Brand&TC=DM1108500&&TC=CMP-01689-Y5P8B7~1&gclid=EAIaIQobChMI6aGBobad5gIVlRWPCh2AaA0wEAAYASAAEgJOZfD_BwE