



## LONDON CAPITAL COMPUTER COLLEGE

### Advanced Diploma in Corporate Financial Reporting (520) – Financial Accounting Theory

<b>Prerequisites:</b> Knowledge of Accounting.	<b>Corequisites:</b> A pass or higher in Diploma in Accounting & Finance or equivalence.
<p><b>Aim:</b> An introduction to the development of financial accounting theory; the relationship of accounting theory and research to standard setting; discussion of the current standard setting environment. The course examines several current measurement and disclosure issues in financial reporting; including: measurement models, measuring and reporting pensions, financial reporting of corporate income taxes, etc. The emphasis is on developing both professional judgement in decision making and a defensible approach to using the authoritative and other relevant literature. The looks also looks at general theory and concepts of financial accounting and the generally accepted principles as applied to assets, liabilities, and related income items. Exposure to related official financial accounting pronouncements. It then continues the in-depth examination of the Generally Accepted Accounting Principles guiding the preparation of corporate financial statements. The topics addressed include advanced issues in accounting for Stockholder's Equity, the calculation and disclosure of earnings per share, investments, revenue recognition issues, accounting for income taxes, pensions, leases, and the accounting for and disclosure of accounting changes. The course provides intensive study of financial accounting theory and generally accepted accounting principles. Areas emphasized are income measurement, valuation of tangible and intangible assets, and accounting for liabilities and shareholders' equity. Proper financial statement presentation and disclosure are covered in detail.</p>	
<b>Required Materials:</b> Recommended Learning Resources.	<b>Supplementary Materials:</b> Lecture notes and tutor extra reading recommendations.
<b>Special Requirements:</b> The course requires a combination of lectures, demonstrations and discussions.	
<p><b>Intended Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Explore the terms "assumptions", "principles", "rules", "concepts", "postulates", "standards" used in approaches to Accounting Theory</li> <li>2. Describe Financial Accounting Regulations and examples of Financial Reporting Standards</li> <li>3. Explore accounting standards setting process and outline the characteristic of the standards-setting process.</li> </ol>	<p><b>Assessment Criteria:</b></p> <ol style="list-style-type: none"> <li>1.1 Define theory</li> <li>1.2 Outline uses of accounting theories</li> <li>1.3 Discuss the purpose of studying accounting theory</li> <li>1.4 Explore accounting theory practices and principles</li> <li>1.5 Describe conceptual framework</li> <li>1.6 Analyse the requirements of critical thinking and effective writing skills</li> <li>2.1 Outline uses of financial statements</li> <li>2.2 Discuss Accounting Standards</li> <li>2.3 Analyse reasons for financial accounting regulations</li> <li>2.4 Discuss the accounting profession</li> <li>3.1 Explore Accounting legislations</li> <li>3.2 Analyse public interest theory</li> <li>3.3 Describe advantages and disadvantages of capture theory</li> <li>3.4 Discuss economic interest group theory</li> <li>3.5 Outline Accounting Standards Board roles</li> <li>3.6 Outline International Accounting</li> </ol>




Tel: 0044 7423211037

Email: [info@londoncomputercollege.co.uk](mailto:info@londoncomputercollege.co.uk) Website: [www.londoncomputercollege.co.uk](http://www.londoncomputercollege.co.uk)

Registered No: 3267009 (England)

	Standards Board activities
	3.7 Discuss Financial Reporting Standards
	3.8 Analyse UK Corporate Governance Code
4. Define International Accounting practices and standards.	4.1 Discuss why countries adopt different accounting policies and practices
	4.2 Discuss standardisation vs harmonisation
	4.3 Explore objectives of IASB
	4.4 Outline International Financial Accounting models
	4.5 Analyse reasons for International Accounting differences
	4.6 Explore Hofstede's Gray model
	4.7 Describe the effects of international accounting standards on accounting practices of different nations.
5. Define Normative Accounting Theories and be able to compare and contrast positive vs normative theories.	5.1 Describe advantages and disadvantages of historic cost accounting
	5.2 Define Current Purchasing Power Accounting (CPPA)
	5.3 Describe Current Cost Accounting (CCA)
	5.4 Outline Continuously Contemporary Accounting (CoCoa)
	5.5 Describe advantages and disadvantages of conceptual framework
	5.6 Define Positive Accounting Theory (PAT)
6. Define Systems oriented theory architecture and explore the relationship between organisations and government	6.1 Describe Political Economy Theory
	6.2 Analyse the role of public disclosure
	6.3 Contrast accounting vs accountability
	6.4 Explore theories explaining <i>why report</i>
	6.5 Describe social accounting
	6.6 Explore auditing principles
	6.7 Describe forensic accounting
7. Describe Accounting Research topical areas (Accounting Information Systems, Auditing, Financial, Managerial and Tax) and Accounting Research Methodologies.	7.1 Discuss the importance of income reporting
	7.2 Describe behavioural research
	7.3 Analyse the role of accounting research
	7.4 Explore research process methodology
	7.5 Analyse forensic computer investigation issues
	7.6 Outline financial accounting research tools
	7.7 Explore capital maintenance concepts
	7.8 Analyse tax research goals

### Recommended Learning Resources: Financial Accounting Theory

<b>Text Books</b>	<ul style="list-style-type: none"><li>• Financial Accounting Theory by Craig Deegan and Jeffrey Unerman. ISBN-10: 0077126734</li><li>• Financial Accounting Theory by William R. Scott. ISBN-10: 0132072866</li><li>• Introduction to Financial Accounting Theory by S Henderson and Graham Peirson. ISBN-10: 058271026X</li></ul>
<b>Study Manuals</b> 	BCE produced study packs
<b>CD ROM</b> 	Power-point slides
<b>Software</b> 	None