

William Paterson University
Christos M. Cotsakos College of Business
Department of Accounting & Law
Selected Topic: International Financial Reporting Standards (IFRS): A
Guide to their Application and Differences with US GAAP
– Winter 2019

1. Course Title & Number:

ACCT 5990-80 Selected Topic: IFRS: A Guide to Their Application and Differences with US GAAP

2. Course Overview:

IFRS is a principle-based financial reporting used globally. US GAAP is rule-based. This course will strike a balance between the two extremes as there is been steady progress towards the convergence of the two accounting reporting methodologies. This course is an introduction to students of the differences between IFRS and US GAPP as accounting firms need this expertise for their global clients, and the CPA exam tests these differences.

3. Course Prerequisite:

Accounting and Reporting I and II (ACCT 7100 and 7200)

4. Professor:

Joan Miller, CPA, CGMA

5. Office Hours – N/A – All instruction will be conducted online

6. Telephone & e-mail:

Telephone #: 973.720.4502

E-mail Address: millerj60@wpunj.edu - Best way to reach me!

7. Textbook:

IFRS Essentials by Dieter Charistian and Norbert Ludenbach, published by Wiley. - Optional

8. Course Objectives:

The course will introduce students to the structure of standard setting agencies such as International Accounting Standards Committee Foundation (IASCF) and International Accounting Standards Board (IASB) and the process of standard setting. Significant carve outs where individual countries can use their own rules will also be discussed as appropriate. The students will learn the conceptual framework of IFRS. It should be noted that since IFRS is principle-based, conceptual framework plays a far more important role than in the US GAAP. Preparers rely upon the framework for guidance in areas not covered by standards. Students will learn the format and content of financial statements and will be given exercises which require them to prepare these statements. Fundamental requirements of IFRS on a

standard-by-standard basis will be examined. Since this will be the first exposure to IFRS for students, the scope will be limited to basic standards (See topical outline) that are likely to be used by a large cross-section of firms.

Students will be able to:

- a. Learn the format and content of financial statements.
- b. Identify the fundamental requirements of IFRS using basic standards.
- c. Gain a deeper understanding of financial reporting under IFRS through clear explanation and practical examples
- d. Recognize the differences in reporting under US GAAP and IFRS.

9. Concepts Covered:

- a. The nature and operations of the IASB
- b. The conceptual framework for financial reporting
 - Objective of general-purpose financial reporting
 - Going concern
 - Qualitative characteristics of useful financial information
 - Cost constraint on useful financial reporting
 - Elements of financial statements
- c. The presentation of financial statements.
 - Introduction and scope
 - Fair presentation of the financial statements and compliance with IFRS
 - General principles relating to presentation
 - Components of the financial statements
- d. Revenue Recognition
 - Measurement of revenue
 - Different sources of revenue
- e. Inventories
 - Scope and measurement
 - Presentation and derecognition
- f. Property, Plant, and Equipment
 - Recognition
 - Measurement of at recognition
 - Measurement after recognition
- g. Intangibles
 - Definition
 - Recognition and measurement
- h. Statement of Cash Flows
 - Preparation
 - Consolidated statements of cash flows
- i. Accounting Policies, Changes in Accounting Estimates and Errors
 - Accounting Policies
 - Changes in Accounting Estimates

- Correction of prior period errors

j. Events after the Reporting Period

- Overview

10. Class Outline:

Week 1 – Review PowerPoint and selected articles.
Answer posted questions

Week II – Review PowerPoint and selected articles.
Answer posted questions

Week III – Review PowerPoint and selected articles.
Answer posted questions
Final 3-4 page report on selected companies—one reporting in IFRS, the other in US GAAP

11. Teaching Methods:

The course will be conducted in the following format. I will post notes and/or articles for each section on Blackboard. You are required to access the Blackboard pages daily to check for announcements and other postings as assignments.

12. Academic Integrity

Violations of the Academic Integrity Policy (a.k.a. cheating in its various forms) will not be tolerated. If you have not done so yet, please familiarize yourself with the Academic Integrity Policy (available online at <http://www.wpunj.edu/dotAsset/230122.pdf>). All parts of that Policy are relevant and important, but for the online setting of the class, I especially would like to stress sections II.B. (on plagiarism) and II.C. (on collusion), i.e., you are not allowed to work with anyone else on a graded written assignment.

To name a few examples:

- working together with another student on a graded assignment
 - sharing your work for a graded assignment with another student
 - getting help on a graded assignment from another student
 - getting help on a graded assignment from a tutor (in person or online)
 - uploading a graded assignment to an online tutoring site
 - copying another student's work for a graded assignment
 - submitting work for a graded assignment obtained from an online tutoring site
- are all violations of the Academic Integrity Policy

The above is not meant to be an exhaustive list of possible violations, so if you have any questions about whether something is permissible, I strongly encourage you to check with me ahead of time. I am available to help you with graded assignments (within certain limits, e.g., I cannot tell you whether an answer is correct before you submit an assignment, but am able to answer more general questions).

13. Grading

Students are evaluated for final grades on the following:

| | |
|-------------------------------|------------|
| Homework assignments 20% each | 60% |
| Final written report | <u>40%</u> |
| Total | 100% |