The Hashemite University – Second Term 2015—2016

Department of Accountancy

Course	**IACC 110202401 – International Accounting**
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Office #	**337ق**
Office Hours	**Sun, Tue, Thu: 1-2**

Main Objectives:

After studying this course, student should understand the following key concepts:

- Numerous excerpts from recent annual reports to demonstrate differences in financial reporting practices across countries and to demonstrate financial reporting issues especially relevant for multinational corporations.
- Incorporation of research findings into the discussion on many issues.
- Extensive end-of-chapter assignments that help students develop their analytical, communication, and research skills.
- Detailed discussion on the most recent developments in the area of international harmonization/convergence of financial reporting standards.
- Two chapters on International Financial Reporting Standards that provide detailed coverage of a wide range of standards and topics. One chapter focuses on the financial reporting of assets, and the second chapter focuses on liabilities, financial instruments, and revenue recognition. (IFRS related to topics such as business combinations, foreign currency, and segment reporting are covered in other chapters.) The IFRS chapters also include numerical examples demonstrating major differences between IFRS and U.S. GAAP and their implications for financial statements.
- Separate chapters for foreign currency transactions and hedging foreign exchange risk and translation of foreign currency financial statements. The first of these chapters includes detailed examples demonstrating the accounting for foreign currency derivatives used to hedge a variety of types of foreign currency exposure.
- Separate chapters for international taxation and international transfer pricing, with detailed examples based on provisions in U.S. tax law.

- A chapter devoted to a discussion of the strategic accounting issues facing multinational corporations, with a focus on the role accounting plays in strategy formulation and implementation.
- Use of a corporate governance framework to cover external and internal auditing issues in an international context, with substantial coverage of the Sarbanes- Oxley Act of 2002.
- A new chapter on corporate social responsibility reporting, which is becoming increasingly more common among global enterprises.

Grading schedule:

Student's grade in this course is based on the following

Criteria	assessment
Mid Exam (at 20/3/2015)	30%
Project (at 20/3/2015)	20%
Participation & homework	10%
Final Exam	50%
Total Possible	**100%**

Main text book:

Timothy Doupnik, Hector Pereat (2000), INTERNATIONAL ACCOUNTING, Third Edition, McGraw-Hill Inc, 2012 New York.

Detailed Outline:

Ch.1:Introduction to International Accounting 1
-- What is international accounting
- Evolution of multinational corporations
-- The global economy
Ch.2: What is Worldwide Accounting Diversity
-- Introduction
-- Evidence of accounting diversity:
-- Reasons for accounting diversity:
-- Problems caused by accounting diversity:
-- Accounting culture

Ch.3: International Convergence of Financial Reporting

-- Introduction

-- CONVERGENCE AS THE BUZZ WORD IN INTERNATIONALFINANCIAL REPORTING

-- MAJOR HARMONIZATION EFFORTS

-- THE INTERNATIONAL ACCOUNTING STANDARDS COMMITTEE

-- CREATION OF THE IASB

-- THE IASB FRAMEWORK
INTERNATIONAL FINANCIAL REPORTING STANDARDS

-- INTERNATIONAL CONVERGENCE TOWARD IFRS

Ch.4: International Financial Reporting Standards

-- INTRODUCTION

-- TYPES OF DIFFERENCES BETWEEN IFRS AND U.S. GAAP

-- INVENTORIES

-- PROPERTY, PLANT, AND EQUIPMENT

-- INVESTMENT PROPERTY

-- IMPAIRMENT OF ASSETS

-- INTANGIBLE ASSETS

-- GOODWILL

-- BORROWING COSTS

-- LEASES

-- DISCLOSURE AND PRESENTATION STANDARDS

Ch.5: INTERNATIONAL FINANCIAL REPORTING

-- Introduction

-- Current Liabilities

-- Provision, Contingent Liabilities, and Contingent assets

-- Employee Benefits

-- Share-Based Payment

-- Income Tax

-- Revenue Recognition

-- Financial Instrument

Ch.6: COMPARATIVE ACCOUNTING

-- Introduction

-- People's Republic of China

-- Germany

-- Japan

-- Mexico

-- UK

Ch.7: FOREIGN CURRENCY TRANSACTION AND HEDGING FOREIGN EXCHANGE RISK

-- Introduction

-- Foreign Exchange Market

-- Foreign Currency Transaction

-- Hedging Foreign Exchange Risk

-- Accounting for Derivatives

-- Hedge Accounting

-- Hedge Combinations

-- Hedge of Foreign-Currency-Denominated

-- Assets and Liabilities

-- Forward Contract Used to Hedge Recognized

-- Foreign-Currency-Denominated Assets

-- Hedges of Unrecognized Foreign-Currency-Denominated Assets

-- Hedges of Unrecognized Foreign-Currency-Denominated Firm Commitment

-- -- Hedges of Forecasted Foreign-Currency-Denominated Transaction

Ch.8: TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS

-- Introduction

-- Two Conceptual Issues

-- Translation Methods

-- Disposition of Translation Adjustment

-- US GAAP

-- International Financial Reporting Standards

-- Translation of Financial Statements: Current Rate Method

-- Re-measurement of Financial Statements: Temporal Methods

-- Comparison of the Results from Applying the Two Different Methods

-- Hedging Balance Sheet Exposure

-- Disclosure Related to Translation