



FACULTY OF BUSINESS
BACHELOR OF ACCOUNTING
LEARNING MODULE OUTLINE

Academic Year	2025/2026	Semester	I
Module Code	ACCT4100-411		
Learning Module	Advanced Financial Accounting I		
Pre-requisite(s)	Nil		
Medium of Instruction	English		
Credits	3	Contact Hours	45
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MODULE DESCRIPTION

This module explores in depth the financial reporting issues and related disclosure relating to a group of companies with reference to both statutory and professional requirements. Emphasis will be placed on the methodology of preparing group accounts and the various accounting procedures unique to different reporting entities in preparing their financial statements. Accounting issues associated with inter-corporate investment activity that conveys significant influence or control as well as cross-border activities will also be addressed.

MODULE INTENDED LEARNING OUTCOMES (ILOS)

On completion of this learning module, students will be able to:

M1.	Determine the appropriate accounting methods for an investment in equity shares of another company.
M2.	Differentiate the various forms of business combinations.
M3.	Explain the concept of control, identify the parent company from a group of corporate entities, and construct a worksheet to combine the financial reports of entities from different methods of accounting for subsidiaries.
M4.	Determine the appropriate methods to report transactions (such as acquisition, addition, and/or disposal) within a group of related companies.
M5.	Distinguish between the differences of financial reporting for upstream and downstream transactions, and apply the necessary procedures to eliminate the effects of these arms-length transactions during the preparation of consolidated financial statements.
M6.	Demonstrate the necessary steps to eliminate the effect of intra-entities transactions involving long term assets and debts in the construction of consolidated financial statements.
M7.	Distinguish the reporting differences in preparing consolidated financial statements when indirect control is present, or when a corporate ownership structure is characterized by a connecting affiliation or mutual ownership.



These ILOs aims to enable students to attain the following Programme Intended Learning Outcomes (PILOs):

PILOs	M1	M2	M3	M4	M5	M6	M7
P1. Integrate the contemporary theories, principles of accounting and business disciplines relevant to general business practice.	✓	✓	✓	✓	✓	✓	✓
P2. Assess general business scenarios with mathematical and statistical skills.							
P3. Apply critical thinking and logical analysis skills and techniques to solve business problems.	✓	✓	✓	✓	✓	✓	✓
P4. Interpret and analyse accounting information for internal control, planning, performance evaluation, and coordination to continuously improve business process.							
P5. Apply accounting or business software for business analysis.			✓		✓	✓	
P6. Develop queries to assess management information from database to improve efficiency and effectiveness.							
P7. Synthesize the latest requirement of international accounting and auditing standards in preparing financial statements and auditing reports.	✓		✓		✓	✓	✓
P8. Utilize appropriate written and spoken forms to communicate effectively with stakeholders in various cultural environments.			✓				✓
P9. Recommend an appropriate course of action by ethically examining the economic, environmental, political, legal and regulatory contexts of global business practice.							
P10. Utilize the latest empirical findings and academic studies to support the recommendation of business projects.	✓	✓					

MODULE SCHEDULE, COVERAGE AND STUDY LOAD

Week	Content Coverage	Contact Hours
1-2	Introduction of the course The Equity Method of Accounting for Investments <ul style="list-style-type: none"> • Extent of influences of stock holdings on accounting choices • Acquisition and disposal • Transfer of inventory and other assets 	6
3-4	Consolidation of Financial Information <ul style="list-style-type: none"> • Forms of business combinations • Controls, Fair value Controls, Fair value concept, and Acquisition method • Journal and worksheet entries • Treatment of Intangibles acquired 	6
5-6	Consolidations - Subsequent to the Date of Acquisition <ul style="list-style-type: none"> • Consolidations after fully acquired business ownership • Equity, Partial Equity and Cost methods for internal records • Treatment of Goodwill and other Intangibles 	6



	• Contingent consideration subsequent to business acquisition	
7-8	Consolidated Financial Statements and Outside Ownership <ul style="list-style-type: none"> • Acquisition method when outside ownership exists • Four components of non-controlling interests • Control premium • Mid year acquisition financial statement • Step acquisition and sale of shares 	5 to 6
9	Consolidated Financial Statements Intra Entity Asset Transactions <ul style="list-style-type: none"> • Accounting for intra entity transactions: up and downstream • Deferral of intra entity gains and losses • Transfer of land, inventory, and other fixed assets • Preparation of consolidated financial statements involving internal transfer s with profits or losses. 	3 to 4
10	Mid-term test	3
11-12	VIE, Intra Entity Debt and Other Issues <ul style="list-style-type: none"> • Consolidated financial statement involving intra entity debts • VIE and Control 	6
13-14	Financial Statements Ownership Patterns <ul style="list-style-type: none"> • Consolidation for various ownership patterns <ul style="list-style-type: none"> ▪ Father son grandson ownership pattern ▪ Connecting affiliation pattern ▪ Mutual ownership pattern 	6
15	Comprehensive Final Exam	3
Total		45 hours

TEACHING AND LEARNING ACTIVITIES

In this learning module, students will work towards attaining the ILOs through the following teaching and learning activities:

Teaching and Learning Activities	M1	M2	M3	M4	M5	M6	M7
T1. Interactive lectures <ul style="list-style-type: none"> • Lectures: PowerPoint slides are used to illustrate main points of advanced financial accounting, assisted with any contemporary information that may arise. 	✓	✓	✓	✓	✓	✓	✓
T2. In-class discussion exercises and demonstrations <ul style="list-style-type: none"> • In class exercises and Q&As are intended to enhance students' understanding and to reflect on the newly acquired knowledge. • Accounting problems are utilized to demonstrate the technique, skills and concepts underlying the related issues. 	✓	✓	✓	✓	✓	✓	✓
T3. Assignments <ul style="list-style-type: none"> • Written assignments are intended to help students apply their acquired knowledge and skills to simulated 	✓	✓	✓	✓	✓	✓	✓



working scenarios. No late submission will be accepted							
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ATTENDANCE

Attendance requirements are governed by the Academic Regulations Governing Bachelor's Degree Programmes of the Macao Polytechnic University. Students who do not meet the attendance requirements for the learning module shall be awarded an 'F' grade.

ASSESSMENT

In this learning module, students are required to complete the following assessment activities:

Assessment Activities	Weighting (%)	ILOs to be Assessed
A1. Online Assignments via Connect (graded)	20%	1-7
A2. Mid-term test (graded)	30%	1-7
A3. Final Exam (graded)	50%	1-7
Total	100%	

The assessment will be conducted following the University's Assessment Strategy (see www.mpu.edu.mo/teaching_learning/en/assessment_strategy.php). Passing this learning module indicates that students will have attained the ILOs of this learning module and thus acquired its credits.

MARKING SCHEME

	Assessment Task	Criterion	Excellent (A, A-)	Very Good, Good (B+, B, B-)	Satisfactory (C+, C, C-)	Pass (D+, D)	Fail (F)
1.	Online Assignments	Demonstrate the ability to answer questions on topics covered in the outline	High	Significant	Moderate	Basic	Not even reaching marginal levels
2.	Mid-term test and Final examination	Demonstrate the ability to identify and apply appropriate concepts, methods and techniques	High	Significant	Moderate	Basic	Not even reaching marginal levels

REQUIRED READINGS

Hoyle, Schaefer, and Douppnik, 2024, Advanced Accounting plus Connect Code card for one year, 15th edition, McGraw-Hill



REFERENCES

Tan, Hock Neo Pearl, Lim and Nyeen, Advanced Financial Accounting: An IAS and IFRS Approach, 2015, 2nd edition, McGraw
Christensen, Cottrell and Budd, 2019, Advanced Financial Accounting, 12th edition, McGraw-Hill
Kieso, Weygandt, and Warfield, Intermediate Accounting IFRS edition, Vol. 1 and 2, Wiley

Accounting Standards

Financial Accounting Standards Board, Accounting Standards Codification Topic 320, Investments-Debt and Equity Securities
Financial Accounting Standards Board, Accounting Standards Codification Topic 805, Business Combinations
Financial Accounting Standards Board, Accounting Standards Codification Topic 810, Consolidation
FASB Accounting Standards Update September 2011, Intangibles-Goodwill and Other (Topic 350), Testing Goodwill for Impairment
International Accounting Standards Board, International Accounting Standard 28, Investments in Associates
International Financial Reporting Standard 3 (Revised), Business Combinations
International Financial Reporting Standard 10, Consolidated Financial Statements
International Financial Reporting Standard 12, Disclosure of Interests in Other Entities
FASB Exposure Drafts and Public Comment Documents
(<http://www.fasb.org/jsp/FASB/Page/SectionPage&cid=1176157086783>)
Journal of Accountancy

Website(s)

<https://connect.mheducation.com/>
The following two websites are used to locate relevant accounting standards issued by the FASB and IASB.
<https://asc.fasb.org/>
<http://www.ifrs.org/IFRSs/IFRS.html>

STUDENT FEEDBACK

At the end of every semester, students are invited to provide feedback on the learning module and the teaching arrangement through questionnaires. Your feedback is valuable for instructors to enhance the module and its delivery for future students. The instructor and programme coordinators will consider all feedback and respond with actions formally in the annual programme review.

ACADEMIC INTEGRITY

The Macao Polytechnic University requires students to have full commitment to academic integrity when engaging in research and academic activities. Violations of academic integrity, which include but are not limited to plagiarism, collusion, fabrication or falsification, repeated use of assignments and cheating in examinations, are considered as serious academic offenses and may lead to disciplinary actions. Students should read the relevant regulations and guidelines in the Student Handbook which is distributed upon the admission into the University, a copy of which can also be found at www.mpu.edu.mo/student_handbook/.

PLAGIARISM POLICY

When a student submits an assignment, he has a duty to ensure that his assignment has been checked by Turnitin software, and the similarity score given by Turnitin software cannot be higher than 30%. However, a special case can be determined by the instructor.