Course Outline 2019

ACCTG 771: ACCOUNTING INFORMATION AND CAPITAL MARKETS (15 POINTS)
Semester 2 (1195)

Course prescription
This paper examines the relation between financial accounting information and capital markets. It considers how accounting information is packaged and communicated to investors and examines the relation between accounting information and capital market participants.

Course advice
You must be accepted into the postgraduate programme of the Department of Accounting and Finance as an Honours, Masters or Postgraduate Diploma student. Additional Information: The course is intended for B Com (Hons), P G Dip and M Com students with an interest in finance or accounting.

Goals of the course
The objective of this course is to give students an awareness of the research examining accounting information and capital markets. During the course, students should learn how to read and evaluate academic accounting studies and should develop a better understanding of the research process.

Learning outcomes (LO)

<table>
<thead>
<tr>
<th>#</th>
<th>Learning outcome</th>
<th>Graduate profile capability*</th>
</tr>
</thead>
</table>
| LO1| Identify and describe different types of research about accounting information and capital markets | 1. Disciplinary knowledge and practice  
2. Critical thinking  
4a. Communication (Oral) |
| LO2| Read an accounting research article and be able to explain it and critique it     | 2. Critical thinking  
3. Solution seeking  
5a. Independence |
| LO3| Identify and discuss examples of recent financial accounting research           | 1. Disciplinary knowledge and practice  
2. Critical thinking  
4a. Communication (Oral) |
| LO4| Complete a project in the area of accounting information and capital markets     | 1. Disciplinary knowledge and practice  
3. Solution seeking  
4b. Communication (Written) |
* See the graduate profile this course belongs to at the end of this course outline.

### Content outline

<table>
<thead>
<tr>
<th>Week / Module</th>
<th>Topic</th>
<th>Relevant learning resources/activities</th>
<th>Assessment due this period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-10</td>
<td>Research on accounting information and capital markets</td>
<td>See readings list provided</td>
<td>Oral presentation, participation, group project, take home test</td>
</tr>
</tbody>
</table>

### Learning and teaching

This course will be delivered at the City Campus and a seminar format will be utilized. As a result, student involvement is essential. Students will make presentations and will be involved in class discussions. Students are required to read all articles whether presenting or not. Participation will be assessed, and attendance is mandatory.

### Teaching staff

**Instructors**

- **Professor Steven Cahan**
  Email – s.cahan@auckland.ac.nz
  Office – OGGB 525, (09) 923 7175; office hours – Thursdays 11am-12 noon or by appointment

- **Dr Lily Chen**
  Email – li.chen@auckland.ac.nz
  Office – OGGB 565, (09) 923 7484

### Learning resources

A list of readings is attached. Readings will be made available before class, and must be read in advance to allow you to take part in discussion.

### Assessment information

<table>
<thead>
<tr>
<th>Assessment task</th>
<th>Weight %</th>
<th>Group and/or individual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seminar presentation</td>
<td>15%</td>
<td>Individual</td>
</tr>
<tr>
<td>Participation</td>
<td>20%</td>
<td>Individual</td>
</tr>
<tr>
<td>Project</td>
<td>20%</td>
<td>Group</td>
</tr>
<tr>
<td>Take home test</td>
<td>45%</td>
<td>Individual</td>
</tr>
</tbody>
</table>
### Description of assessment tasks

<table>
<thead>
<tr>
<th>Assessment task</th>
<th>Learning outcome to be assessed</th>
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<tbody>
<tr>
<td>Seminar presentation</td>
<td>1, 2, 3, 4 and 5</td>
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<tr>
<td>Each student will present one paper during the semester. Each presentation should last between 25-30 minutes. In the presentation, the student should provide an overview of the study. Each student should discuss the: 1/ research question, 2/ motivation and contribution, 3/ literature review, 4/ conceptual model and hypotheses, 5/ research design including the sample, variables, and methods of analysis, 6/ results, 7/ conclusion, and 8/ strengths/weaknesses of the paper.</td>
<td>1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td>The presentation will be assessed on the content (scope and depth of coverage of the items listed above), explanation (ability to clearly explain the material), and presentation (organisation, visual aids, communication skills, time management). A 'good' presentation is one where the presenter explains the paper in his/her own words and adds value by helping the class to better understand the study. A presentation that involves re-reading substantial parts of the assigned article is not acceptable. Slides that are creative both in terms of what information is presented and how it is shown (e.g., how much on each slide, use of diagrams or figures) are an integral part of a 'good' presentation.</td>
<td>1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td>Presentations that exceed 30 minutes will be penalized. As it is unlikely that you will be able to cover every aspect of the paper in 30 minutes, you will need to decide on which points to emphasize. Presentation slides should be emailed to the instructor by 12 noon on the day prior of your presentation. You should also bring sufficient copies to distribute in class.</td>
<td>1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td>Participation</td>
<td>1, 2, 3, 4, 5 and 6</td>
</tr>
<tr>
<td>Class participation will be based on the quality and quantity of the student’s verbal interactions. Students should be able to participate in general discussions, e.g., asking/answering questions, discussing the paper’s strengths and weaknesses. Attendance at the seminars is compulsory and will not be considered in evaluating class participation.</td>
<td>1, 2, 3, 4, 5 and 6</td>
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<tr>
<td>Project</td>
<td>1, 2, 3, 4 and 5</td>
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<tr>
<td>As part of the project, each team will have to formulate a research design to investigate a particular research question or set of research questions.</td>
<td>1, 2, 3, 4 and 5</td>
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<tr>
<td>Take home test</td>
<td>1, 2, 3, 4 and 5</td>
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<tr>
<td>The take home test will cover material covered during the semester.</td>
<td>1, 2, 3, 4 and 5</td>
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### Inclusive learning

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the courses convenor/lecturer and/or tutor.
Academic integrity
The University of Auckland will not tolerate cheating, or assisting others to cheat, and views cheating in coursework as a serious academic offence. The work that a student submits for grading must be the student’s own work, reflecting his or her learning. Where work from other sources is used, it must be properly acknowledged and referenced. This requirement also applies to sources on the worldwide web. A student’s assessed work may be reviewed against electronic source material using computerised detection to provide an electronic version of their work for computerised review.

Student feedback
The instructor welcomes feedback at any time.

In the event of an unexpected disruption
We undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions, the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies, In the event of a disruption, the University and your course coordinators will make every effort to provide you with up to date information via Canvas and the University website.

Graduate profile for B Com (Honours) and M Com
The following six themes represent the capabilities that the Business School seeks to foster in all of its graduates. The development of these capabilities does not come all at once, but rather is expected to build from year to year. Each course is not expected to contribute to all capabilities, but each course will have its own goals and learning outcomes that relate to the overall development of this profile.

<table>
<thead>
<tr>
<th>Graduate Profile</th>
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<tbody>
<tr>
<td>1. Disciplinary knowledge and practice</td>
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<tr>
<td>2. Critical thinking</td>
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<tr>
<td>3. Solution seeking</td>
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<tr>
<td>4. Communication and engagement</td>
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<tr>
<td>5. Independence and integrity</td>
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Graduate Profile

Graduates will be able to demonstrate independent thought, self-reflection, ethics and integrity.

6. Social and environmental responsibility

Graduates will consider, in relation to their discipline, the potential significance of the principles underpinning both the Treaty of Waitangi and sustainability.

Reading list

**Seminar 1**  5 August  
Dr Lily Chen
Topic: Firm disclosures


**No class**  12 August

**Seminar 2**  19 August  
Dr Lily Chen
Topic: Access to information


**Seminar 3**  26 August  
Dr Lily Chen
Topic: Social media


**Semester Break**  2 September, 9 September

**Seminar 4**  16 September  
Professor Steven Cahan
Topic: Non-GAAP disclosures


Seminar 5  23 September  Professor Steven Cahan
Topic: Analysts


Seminar 6  25 September (1-4 SOGGB 223)  Professor Steven Cahan
Topic: Analysts, fund managers, proxy advisors


Seminar 7  30 September  Professor Steven Cahan
Topic: Creditors


Seminar 8  7 October  Professor Steven Cahan
Topic: Corporate scandals


Seminar 9  9 October (1-4pm OGGB 223)  Professor Steven Cahan
Topic: Regulation of auditing


Seminar 10  14 October  Dr Lily Chen
Topic: Corporate social responsibility
