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| 1. Course code:
 | ACC416 | 1. Course title:
 | ACCOUNTING THEORY |
| 1. College: College of Business Administration
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| 1. Department: ACCOUNTING
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| 1. Program: BSc
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| 1. Course credits: 3-credit hour
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| 1. Course NQF Level: 6-7-8
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| 1. NQF Credits: TBA
 |
| 1. Prerequisite: ACC310
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| 1. Lectures Timing & Location: Online
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| 1. Course web page: Blackboard
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| 1. Course Instructor: Dr. Khaled Al-Tarawneh
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| 1. Office Hours and Location: TBA
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| 1. Course coordinator: Dr. Khaled Al-Tarawneh
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| 1. Academic year: 2020-2021
 |
| 1. Semester:
 |  | **First** | X | **Second** |  | **Summer** |
| 1. Textbook(s):

Deegan, C. &Unerman, J. (2011). *Financial Accounting Theory* (2nd European Edition). London: McGraw-Hill. ISBN: 0077126734 |
| 1. References from the Library (<http://www.ac-knowledge.net/uobv3/>):
2. Scott, William (2015). *Financial Accounting Theory*. 7th Edition. Prentice Hall, Inc. ISBN: 0132984660
3. Schroeder, Richard (2011). *Accounting Theory and Analysis: Text and Cases*.

 10th Edition, John Wiley & Sons, Inc. ISBN: 0470646284.1. Scott, William (2009). *Financial accounting theory*. 5th Edition. Pearson/Prentice Hall. ISBN: 9780132072861.Library code: HF5635.S362009.
2. Riahi-Belkaoui, Ahmed (2004). Accounting Theory. 5th Edition, University of Illinois at Chicago. ISBN: 1844800296.Library code: HF5635.B41672004.
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| 1. Other learning resources used (e.g. e-Learning, field visits, periodicals, software, etc.):

<http://libwebserver.uob.edu.bh/en/><http://www.ac-knowledge.net/uobv3/language/en-US/eResources.aspx> |
| 1. Course description (as per the published):

Students will be introduced to: The scope of accounting; nature and uses of accounting information; images of accounting; construction of an accounting theory and the normative-positive debate; traditional and modern accounting theories; conceptual framework of financial accounting financial reporting environment, and reporting; accounting standards setting process; income and value measurement; general purchasing power accounting and current value accounting; accounting theories and environmental dimension (the case of system-oriented accounting theories). |
| 1. Course Intended Learning Outcomes (CILOs):
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| CILOs | *Mapping to PILOs* |
| Learning goals | a. Knowledge | b. Globalization | c. Skills | d. Communication | e. Competencies | f. Values |
| Learning objectives | a1: General Knowledge | a2: Specific knowledge | b1: International cross-cultural | b2: Global Perspective | c1: Thinking skills | c2: Analytical skills | d1: Communication (Writing) | d2: Communication (Oral) | e1: Leadership skills | e2: Teamwork | f1: Ethics | f2: Social responsibility |
| 1.Apply knowledge and understanding of the general structure of accounting theory and the historical development of actual accounting practices in mainstream theories. | ✓ |  |  | ✓ |  |  |  |  |  |  |  | ✓ |
| 2.Identify the nature and uses of accounting postulates including the logic behind various accounting practices. | ✓ | ✓ |  |  | ✓ |  |  |  |  |  |  |  |
| 3.Explain accounting standard-setting process through various regulation and deregulation approaches. |  | ✓ |  | ✓ |  |  |  |  |  |  | ✓ |  |
| 4.Identify different accounting valuation approaches and their influences on the income statements and balance sheet (i.e. historical cost accounting, general purchasing power accounting and replacement cost accounting). |  | ✓ |  |  |  | ✓ |  |  |  |  |  | ✓ |
| 5.Explain the forces behind economic, social and political environments of accounting and financial reporting. |  |  |  | ✓ |  |  |  |  |  |  | ✓ | ✓ |

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| 1. Course assessment:
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| *Assessment Type* | *Details/ Explanation of Assessment in relation to CILOs* | *Number* | *Weight* | *Date(s)* |
| Continuous Assessment (2-hour) | Quiz 1 |  | 15 % |  |
| Engagement Activities (1-hour) | Quiz 2 |  | 15 % |  |
| Practical |  |  |  % |  |
| Examinations | Quiz 3 |  | 15 % |  |
| Projects/Case Studies | Project |  | 15% |  |
| Final Examination(Respondus) | Final |  | 40% |  |
| Total |  |  | 100% |  |

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| 1. Description of Topics Covered
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| *Topic Title* *(e.g. chapter/experiment title)* | *Description* |
| Chapter 1Introduction to Financial Accounting Theory | This chapter covers definition of the term theory and the approaches available to develop theories. Many accounting theories are available and can be utilized to enhance our ability to understand thoroughly accounting practices.  |
| Chapter 2 The Financial Reporting Environment | Major developments concerning accounting profession and accounting regulations have been highlighted. Additionally, the issues of setting accounting standards process and its complications have been addressed.  |
| Chapter 3 The Regulation of Financial Accounting | The different viewpoints as to regulate or not to regulate financial reporting practices have been explained. Also, relevant arguments and theories of these conflicting viewpoints have been discussed. |
| Chapter 5The Normative Theories of Accounting1: The Case of Changing Prices and Asset value | Limitations of historical cost accounting have been highlighted. More specifically, its limitation to cope with various issues related to changing prices. Further, many alternative accounting methods that have been developed to address problems associated with changing prices are discussed. |
| Chapter 6The Normative Theories of Accounting 2: The Case of Conceptual Framework | The role that conceptual frameworks can play in accounting practices. The various building blocks that have been developed within various conceptual framework projects are also discussed. In addition, perceived advantages and disadvantages that arise from the establishment and development of conceptual frameworks are elaborated. |
| Chapter 7 Positive Accounting Theories | The origins of “Positive Accounting Theory” are explained.The issue of how accounting can be used to reduce the costs associated with various political processes is discussed.Further, the issue of how particular accounting-based agreements with parties, such as debt holders, can provide incentives for managers to manipulate accounting numbers is highlighted. |
| Chapter 8 Unregulated Corporate Reporting Decisions: Considerations of Systems Oriented Theories | Legitimacy Theory, Stakeholder Theory and Institutional Theory can be utilized to help explain why an entity might elect to make voluntary disclosures. Also, the view that a successful organization is one that balances or manages the demands, including information demands, of different stakeholder groups |
| Chapter 10Reaction of Capital Markets to Financial Reporting | Many issues are discussed that link capital markets and financial reporting. The role of capital market research in assessing the information content of accounting disclosures. The difference between capital market research that looks at the information content of accounting disclosures, and capital market research that uses share price data as a benchmark for evaluating accounting disclosures. |

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| 1. Weekly Schedule
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| *Week* | *Date* | *Topics covered* | *CILOs* | *Teaching Method* | *Assessment* |
| *1* |  | ***Chapter 1****Introduction to Financial Accounting Theory* | *1*  | *2-hour lecture:* |  |
| *1-hour lecture* |
| *2* |  | ***Chapter 1****Introduction to Financial Accounting Theory* | *1*  | *2-hour lecture:* |  |
| *1-hour lecture* |
| *3* |  | ***Chapter 2****The Financial Reporting Environment* | *2 & 3* | *2-hour lecture:* |  |
| *1-hour lecture* |
| *4* |  | ***Chapter 3****The Regulation of Financial Accounting Theory* |  *2 & 3*  | *2-hour lecture:* |  |
| *1-hour lecture* |
| *5* |  | ***Chapter 5****The Normative Theories of Accounting1: The Case of Changing Prices and Asset value*  | *4* | *2-hour lecture:* | *Quiz 1* |
| *1-hour lecture* |
| *6* |  | ***Chapter 5****The Normative Theories of Accounting1: The Case of Changing Prices and Asset value*  | *4* | *2-hour lecture:* |  |
| *1-hour lecture* |
| *7* |  | ***Chapter 8****Unregulated Corporate Reporting Decisions: Considerations of Systems Oriented Theories* | *3 & 5* | *2-hour lecture:* |  |
| *1-hour lecture* |
| *8* |  | ***Chapter 8****Unregulated Corporate Reporting Decisions: Considerations of Systems Oriented Theories* | *3 & 5* | *2-hour lecture:* | *Quiz 2* |
| *1-hour lecture* |
| *9* |  | ***Chapter 6****The Normative Theories of Accounting 2: The Case of Conceptual Framework* | *2 & 5* | *2-hour lecture:* |  |
| *1-hour lecture* |
| *10* |  | Break |  | *2-hour lecture:* |  |
| *1-hour lecture* |
| *11* |  | ***Chapter 6****The Normative Theories of Accounting 2: The Case of Conceptual Framework* | *2&, 5* | *2-hour lecture:* | *Quiz 3* |
| *1-hour lecture* |
| *12* |  | ***Chapter 7****Positive Accounting Theories* | 2 & 4 | *2-hour lecture:* |  |
| *1-hour lecture* |
| *13* |  | ***Chapter 7****Positive Accounting Theories* | 2 & 4 | *2-hour lecture:* | *Project due* |
| *1-hour lecture* |
| *14* |  | ***Chapter 10****Reaction of Capital Markets to Financial Reporting* | *2 & 5* | *2-hour lecture:* |  |
| *1-hour lecture* |
| *15* |  | Rivision |  | *2-hour lecture:* | *Final* |
| *1-hour lecture* |