



**Kuwait University**  
**College of Business Administration**  
**Department of Accounting**



**Course Syllabus**  
**MSACC 570 – Financial Accounting Theory and Research**

**Dr. Khaled Abdulsalam**  
*Spring 2023/2024*

### **Lecture Time and Location**

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**MSAcc 570:** Tuesday 5:00 PM – 8:00 PM

### **Contact Information**

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**Location:** Department of Accounting – 4<sup>th</sup> Floor – Office: S-04 1039

**Email:** [Khaled.abdulsalam@ku.edu.kw](mailto:Khaled.abdulsalam@ku.edu.kw)

**Office hours:** by appointment.

### **Course Description**

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This course is an exploration and an in-depth understanding of the various rationale for corporate financial reporting, with particular emphasis on the nature and evolution of conventional accounting and regulatory framework for financial reporting and its future developments. Current financial reporting issues and areas of controversy that financial accounting should identify, measure, and report in a dynamic economic, political, and social environment are studied with an emphasis on the relationship between accounting research and practice. The course emphasizes professional accounting responsibilities; professional ethics will be stressed throughout the course. Theoretical approaches to financial reporting will be explored: Deductive approaches, economic approaches, regulatory approaches, and earnings management issues

### **Course Objectives**

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By the end of the semester, you should be able to:

- Articulate the general theories about accounting theories and financial reporting information.

- Analyze the advantages and disadvantages of alternative measurement models and theories of financial accounting and apply relevant theories to an understanding of accounting choices.
- Critique financial accounting theories and financial reporting issues.
- Discuss accounting theories, reporting issues, and accounting information usefulness.
- Communicate and present accounting theories and reporting issues.
- Demonstrate adequate understanding of the accounting regulatory environment.

## **Class Materials**

**Required Text:** William R. Scott, Financial Accounting Theory 7e, Pearson, 2014.  
[Note that the 7th edition is available at the bookstore]

**Additional Material:** Other documents/notes will be handed over in class or via Teams.

## **Course Requirement Policies**

*You are responsible for knowing these policies  
“I didn’t know” is not an excuse*

### ▪ **Classroom Conduct**

- Using your phones in class is **NOT** Allowed at all!
  - In case of emergency, you can use your cell phone outside the classroom
- Talking in class is distracting and disrespectful to your fellow colleagues and professors.
  - Inappropriate and disruptive classroom behavior might lead to your dismissal from class.

### ▪ **Attendance and Participation**

- Students are expected to come to class having (1) READ the text material assigned for that day and (2) attempted assignments.
- Attendance is very important in this class. An "FA" grade will be assigned to students with an absence of more than 6 hours.

### ▪ **Cheating and Plagiarism**

- Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (Published in the student guide, chapter 3, section 2).

### ▪ **Make-up Exams:**

- Make-up Exams will be given for missed exams **ONLY** with a university-approved excused absence.

- **Communication:**

- Class announcements will be posted on *Teams*. All students are expected to use the official email platform to contact the instructor (*Teams Chat is not permitted as a communication venue*).

- **Disability:**

- Any student who has a need for special accommodation should contact me privately to discuss the specific situation NO later than the first week. You should contact the Dean of Students Affairs Office for proper documentation to maintain an individualized service plan of accommodation.

## **Student Evaluation**

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The grades for this class are distributed as follows:

<b>Grade</b>	<b>Activity</b>
10	Class participation, Discussion, and Critiques
20	Homework and Assignments
30	Exams (Midterm and Quizzes)
40	Final exam
<b>100</b>	<b>Total</b>

*NOTE: The weight of the scores may change.*

## **Grade Distribution**

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<b>Range</b>	<b>Grade</b>
>= 95	<b>A</b>
90-94	<b>A-</b>
87-89	<b>B+</b>
83-86	<b>B</b>
80-82	<b>B-</b>
77-79	<b>C+</b>
73-76	<b>C</b>
70-72	<b>C-</b>
65-69	<b>D+</b>
60-64	<b>D</b>
<= 59	<b>F</b>

## Course Study Plan

<b>Week</b>	<b>Topic</b>	<b>Chapter</b>
week 1	Introduction	1
week 2	Accounting under Ideal Conditions	2
week 3	The Decision Usefulness Approach to Financial Reporting	3
week 4	Efficient Securities Markets	4
week 5	The Value Relevance of Accounting Information	5
week 6-7	The Measurement Approach to Decision Usefulness	6
week 8	The Efficient Contracting Approach to Decision Usefulness	8
week 9-10	An Analysis of Conflict	9
week 11	Executive Compensation	10
week 12	Earnings Management	11
week 13	Standard Setting: Economic Issues	12
week 14	Standard Setting: Political Issues	13

\* This tentative schedule is subject to changes.

## **Master of Accountancy Program Competency Goals**

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1. **Accounting Knowledge:** Our students will be proficient in both conceptual and technical accounting knowledge.

### **Student Learning Objectives:**

- 1.1. Apply advanced principles of financial accounting theory.
- 1.2. Analyze corporate financial statements.

2. **Decision-Making Skills:** Our students will demonstrate advanced data-driven decision-making skills supported by advanced analytical skills.

### **Student Learning Objectives:**

- 2.1. Apply advanced quantitative and qualitative methods to solve business problems.
- 2.2. Recognize the implications of business decisions, and evaluate different proposals based on available facts, and make well-supported business decisions.

3. **Ethical Reasoning Skills:** Our students will be ethically conscious business leaders

### **Student Learning Objectives:**

- 3.1. Evaluate business decisions within an ethical framework.

4. **Communication Skills:** Our students will demonstrate advanced communication skills in a variety of business settings.

### **Student Learning Objectives:**

- 5.1. Deliver clear, concise, and persuasive presentations.
- 5.2 Write clear, concise, and persuasive business documents