

Subject Code	AF5325
Subject Title	Seminar in Financial Reporting and Capital Markets Research
Credit Value	3
Level	5
Normal Duration	One Semester
Pre-requisite / Co-requisite/ Exclusion	Pre-requisite: Applied Econometric Methods in Accounting and Finance Research (AF5908) Co-requisite: Accounting Theory (AF5102) (Recommended Background Knowledge: Some prior exposure to an introductory finance course would be helpful.)
Role and Purposes	The main objective of the course is to provide an introduction to the empirical financial accounting, reporting and capital markets research literature. The course is designed to familiarize students with several important areas in empirical financial accounting and reporting research, the reason why these areas are important, and an understanding of the issues involved and their impacts on capital markets. This course contributes to the achievement of the MSc in Accountancy Programme Outcomes by enabling students <u>to identify and evaluate contemporaneous financial accounting and reporting issues, concepts and frameworks, and to formulate research plans to examine those issues (Programme Outcome 3).</u>
Subject Learning Outcomes	Upon completion of the subject, students will be able to: <ul style="list-style-type: none"> a. to explain various roles of financial reporting in the capital-market economy; b. to critically assess and evaluate research papers examining contemporary issues in financial accounting, reporting and capital markets; c. to understand and apply research methodologies used in financial accounting and financial reporting research.
Subject Synopsis/ Indicative Syllabus	<u>Indicative Content / Outline Syllabus</u> Introduction An overview of the major topics covered in this course. Research Methods Data issues, useful statistical tools, and basic programming for empirical accounting research Market Reaction to Earnings Announcements Understand how earnings and other accounting information is incorporated into share prices.

Fundamental Analysis
The value relevance of accounting information

Voluntary Disclosure
Why do managers voluntarily disclose additional information to investors? A cost-benefit analysis.

Earnings Management
The cause, means, and consequence of earnings management.

Teaching/Learning Methodology
We teach the module in a seminar format, with one 3-hour seminar class each week. In most weeks, the lecturer will provide an overview of the topic. The presenting students will present and lead the discussion of the assigned papers. Other students are expected to actively participate in the discussions.

Assessment Methods in Alignment with Intended Learning Outcomes

Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)					
		a	b	c			
Class participation	10%	√	√	√			
Presentation	20%	√	√	√			
Research Proposal / Project	20%	√	√	√			
Final examination / term paper	50%	√	√	√			
Total	100%						

Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:

Class participation – Students are required to complete assigned readings before class, and be able to play an active role in class discussions.

Presentation – Each student will do at least one individual or group in-class presentation on the assigned papers. The presentation should cover the following items but not limited to: 1) the motivation and theoretical background of the paper; 2) recent development in the literature; 3) the methodology used; 4) contributions of the findings; and 5) a clear interpretation and analysis of the results

	<p>Research Proposal / Project – Students are required to complete a research proposal / project individually or in group.</p> <p>Note: To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Examination components. In addition, the specific requirements on individual assessment components discussed above could be adjusted based on the pedagogical needs of subject lecturers.</p>	
<p>Student Study Effort Expected</p>	<p>Class contact:</p>	
	<ul style="list-style-type: none"> ▪ Lectures / Seminars 	<p>39 Hrs.</p>
	<p>Other student study effort:</p>	
	<ul style="list-style-type: none"> ▪ Depends on their background, on average students are expected to spend around 2 hours for each contact hour for reading subject materials and articles, preparing for class discussion, presentation, and research proposal. 	<p>78 Hrs.</p>
	<p>Total student study effort</p>	<p>117Hrs.</p>
<p>Reading List and References</p>	<p>The regularly updated list of articles to be discussed in class will be provided before the start of semester.</p>	