



University of
Strathclyde
Business
School

Department of Accounting and Finance AG309 Governance and Accounting Ethics

2024/25 Semester 1
10 Module Credits

Module Details

Module Description

Governance issues have been debated at great length for many years, but have reached particular prominence in the aftermath of the many major business scandals that have arisen.

The importance of the UK Corporate Governance Code within the UK Corporate Framework along with the variety of reporting requirements in today's world make it desirable to present the accounting aspects of governance and the study of ethics and sustainability in an accounting setting as a separate module.

This third year, one semester, 10 credit module is intended to provide an overview of the role of accounting within business and society more generally.

Teaching Hours

Lectures: All weeks, Wednesday 11am-1pm in GH554.

Tutorials: Weeks 2-11

Please see the "Tutorial Sign Up" tab on the AG309 Myplace page here: [Course: AG309: Governance and Accounting Ethics | classes \(strath.ac.uk\)](#) for tutorial times/dates. All students are required to sign up for one tutorial slot per academic year. These are available on a first come first served basis.

Attendance at tutorials is compulsory and will be monitored. If your attendance is unsatisfactory then you will receive a warning letter, which will be retained in a departmental file.

If you are absent from a tutorial or lab please email sbs-accfin-admin@strath.ac.uk. If you are absent due to medical reasons please submit medical evidence or self-certificate via [Pegasus: Personal Circumstances Procedure | University of Strathclyde](#)

Prerequisites

None.

Contact Details

Lecturer: Rachael Nicholls

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Office Hours: Wed 1.30-2.30pm by appointment and Fri 10.30am -12.30pm drop-in

Course Tutors: Ola Abdelhamid

E-mail: ola.abdel-hamid@strath.ac.uk

Module Learning

Module Aims

The main aim of this module is to locate the accounting profession within its wider social, environmental and business contexts.

Accountants prepare and audit financial statements that have implications for all stakeholders. That creates an ethical dimension to the financial reporting process. Furthermore, there is a clear role for financial reporting in the maintenance of relationships between the reporting entity and the capital markets. This module will explore the resulting responsibilities arising for accountants in these roles.

Learning Objectives and Outcomes

The following learning outcomes will contribute to your self-analysis and reflection in your Student's Personal Development Planning (SPDP). These learning outcomes will be assessed using the methods explained in the "Assessment" section in this Outline.

Subject-specific knowledge and skills

On completing this module students will be able to:

- A1. Discuss alternative perspectives on regulation
- A2. Evaluate the development and role of corporate governance
- A3. Analyse ethical dilemmas faced by accountants
- A4. Explain the purpose of the external audit
- A5. Appreciate the issues associated with auditor independence
- A6. Understand the auditor's role in society

Cognitive abilities and non-subject specific skills

During this module students will develop skills in:

- B1. Develop intellectual and professional competencies by thinking and problem solving, analysing, evaluating evidence, logical reasoning and practical applications
- B2. Develop communication skills – explaining, listening, discussion, questioning, presenting and defending a position, giving feedback
- B3. Develop intellectual understandings, clarifying concepts and theories by thinking, discussion, doing, observing and constructing connections.

Module Structure

Please note this is an indicative lecture programme and subject to change.

1. Introduction and ethical dilemmas

By the end of this week you should be able to:

- Understand the importance of decision making in accounting
- Discuss the processes involved with resolving ethical dilemmas
- Understand key ethical principles and the importance of moral courage

2. Moral development

By the end of this week you should be able to:

- Discuss the stages of moral development
- Understand the importance of moral framing in resolving ethical dilemmas

3. Agency and the sustainable ethical organisation

By the end of this week you should be able to:

- Explain agency theory
- Discuss the use of agency theory in understanding governance
- Discuss the importance of management acting as appropriate agents, mindful of the needs of all stakeholders of an organisation

4. Corporate governance

By the end of this week you should be able to:

- Understand the importance of corporate governance
- Discuss the historic development of corporate governance

5. Corporate governance – director's remuneration

By the end of this week you should be able to:

- Discuss the motivational effects of the main forms of directors' remuneration
- Discuss the relationship between effective governance and remuneration

6. Risk management

By the end of this week you should be able to:

- Understand the importance of risk in business processes
- Discuss the processes within a business for risk mitigation

7. Auditing and reporting

By the end of this week you should be able to:

- Understand the need for an external audit
- Discuss the external auditor's role
- Understand who can be an external auditor

8. Regulating audit

By the end of this week you should be able to:

- Discuss the need for the regulation of external audit
- Understand the regulatory framework for auditing
- Discuss the expectations gap in auditing

9. Ethical rules and professional conduct

By the end of this week you should be able to:

- Discuss the ethical requirements for professional accountants
- Discuss the specific issues associated with ensuring the independence of external auditors

10. Audit quality control and client acceptance

By the end of this week you should be able to:

- Understand the audit quality control requirements and procedures
- Discuss the procedures and processes for accepting a client

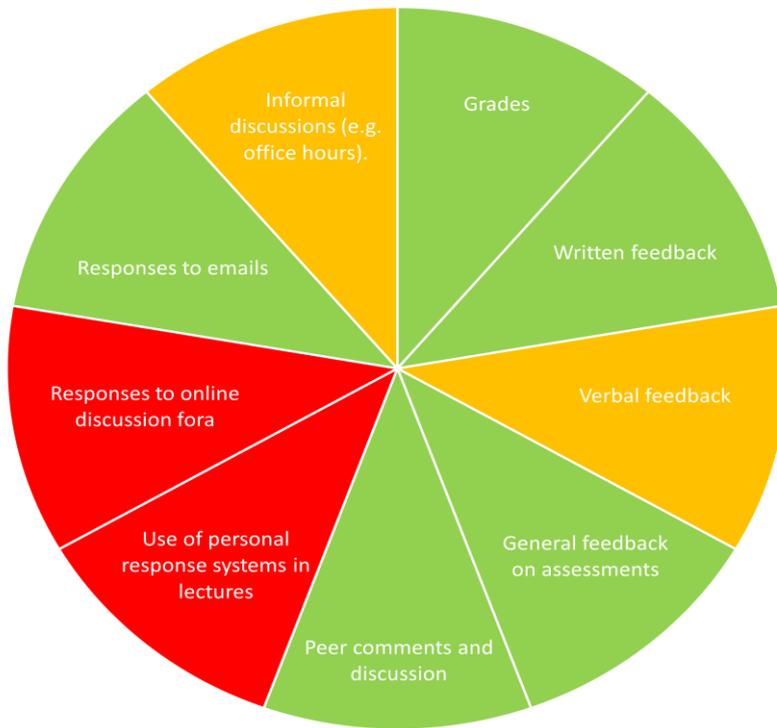
11. Revision lecture

Assessment and Feedback Details

1. Essay worth 15%. Due: Monday 4th of November 2024. Feedback/Marks will be released on or before Monday 25th of November 2024.
2. Final Exam worth 85%. Date: during the semester 1 exam diet.

An overall weighted average mark of 40% is required to pass the module.

It is a requirement for course completion to submit all assessed coursework. Non-submission of any part will result in an overall mark of zero being awarded for the module.



Artificial Intelligence

You are not permitted to use Gen-AI tools for this module unless you are a student with an adjustment report on Pegasus where this is explicitly specified as a 'reasonable adjustment'. Any student suspected of using such tools will be subject to investigation outlined in the [Student Discipline Procedure - Academic Misconduct.pdf \(strath.ac.uk\)](https://www.strath.ac.uk/students/discipline-procedure-academic-misconduct.pdf) process.

Reading List

Please refer to the AG309 Myplace page to access the Reading List.

UG Module Manual (1st-3rd Year)

Please refer to the accounting and finance UG manual module for the following ([Years 1-3 Module Manual.docx](#)):

- Tutorial Attendance
- Useful Contacts
- Penalties for Late Submission

- [Feedback](#)
- [Compensation Scheme](#)
- [Resit Policy](#)
- [Reassessment](#)
- [Universal Marking Guide](#)
- [Useful Links](#)