

International Financial Accounting (21143)

Degree/study: International Business Economics

Course: third-fourth

Term: third

Number of ECTS credits: 5 credits

Hours of student's dedication: 125 hours

Language or languages of instruction: english

Professor: Assigned on an annual basis.

1. Presentation of the subject

This course deepens the student's knowledge in Financial Accounting in two aspects. Firstly, it integrates the knowledge of International Financial Reporting Standards (IFRS) into a financial accounting course and introduces a comparison between US GAAP and IFRS (the two most commonly applied sets of accounting standards in the world). Secondly, the students students will learn how to account for complex accounting transactions such, for example the accounting treatment for leases.

Students in this subject have coursed three previous accounting subjects: Introduction to Financial Accounting, Financial Statement Analysis and Cost Accounting.

2. Competences to be attained

2.1. Specific competences

E6. Knowledge of the main differences between accounting systems and their adoption.

In more detail, at the end of the course, the student should:

- Know the International Financial Reporting Standards, its history, adoption amongst countries and types of firms and the structure of the standards.
- Comprehension of the different accounting rules across the world: European Union, United States, South America...
- Recognising the main differences between accounting systems.
- Know how to account for complex transactions according to IFRS.

2.2. General competences

The student should be able to:

G1. Understand and interpret relevant and reasoned texts of academic level and carácter.

G2. Be able to defend with consistent arguments his/her own opinion and to defend them publicly.

G4. Use a high level of English in the following levels: reading, writing and speaking.

G9. Have consolidated habits of self-discipline, self-demanding and rigor to carry out the academic work, a good level of organization and correct timings.

G10. Be proactive, with a wish for a higher level of knowledge which is essential in any learning process and in any professional activity with projection.

G11. Be able to apply the knowledge acquired with flexibility and creativity to adapt them to new contexts and situations.

G13. Demonstrate a sufficient level of knowledge for a professional context.

G14. Be aware of the different contexts in which they work: the economic situation, the industry, the market, the company and the department.

G16. Use the adequate information to create proposals and solve problems.

3. Contents

Topic 1. Introduction to international financial reporting

Convergence in financial reporting standards. International Accounting Standards (IAS). US Generally Accepted Accounting Principles (GAAP). Spanish General Accounting Plan (PGC). Accounting standards and company size. Conceptual framework for financial reporting

Topic 2. Presentation of Financial Statements

Balance Sheet. Income Statement. Notes to the Financial Statement. Statement of Cashflow. Statement of changes in equity (i) other comprehensive income and (ii) statement of changes in equity. International differences in the presentation of financial statements. (IAS 1, IAS 7, IAS 10, IAS 8)

Topic 3. Tangible assets

Tangible assets: classification, initial recognition, subsequent costs. Depreciation. Sale of tangible assets. Accounting for Nonmonetary Exchanges. Accounting for donations and renewals. Impairment. (IAS 16, IAS 36)

Topic 4. Leases

Classification of leases. Finance leases. Operating leases. Leaseback transactions. (IAS 17)

Topic 5. Intangible assets

Intangible assets: classification, initial recognition, subsequent costs. Amortization. Impairment. Cash-generating units. Research and Development. (IAS 38, IAS 36)

Topic 6. Financial Instruments

Classification of financial instruments. Recognition of financial assets and liabilities. Derecognition of financial assets and liabilities. Fair value. Impairment. (

Topic 7. Other specialized IAS/IFRS

The Effects of Changes in Foreign Exchange Rates (IAS 21), Provisions Contingent Liabilities and Contingent Assets (IAS 37), Earnings per Share (IAS 33), Borrowing Costs (IAS 23)

Topic 8. The complete accounting cycle

Stages of the accounting cycle: Opening the accounts, registering transactions, accruals and closing stage.

4. Assessment

The assessment of the subject is divided in two parts: continuous assessment and final assessment.

4.1. Continuous assessment

It will be carried out during the academic term and weights for 60% of the final mark:

- Positive active participation in the theory classes and seminars: 10%
- An Oral Presentation of twenty minutes in pairs: 20%
- Solving three questionnaires/questions that will be published in Moodle: 10%

4.2. Final assessment June

It consists in a theoretical and practical exam and it accounts for 60% of the final mark. The minimum grade in order to average with the continuous assessment is **5 out of 10**. In case of failing, there is a retake possibility in July.

5. Bibliography and teaching resources

5.1. Basic bibliography

Nobes, C., Parker, R. (2010) Comparative International Accounting, Prentice Hall.

Kothari, J., Barone, E. (2010) Advanced Financial Accounting: An International Approach, Prentice Hall.

5.2. Additional bibliography

Kothari, J., Barone, E. (2010) Financial Accounting: A comparative Approach, Prentice Hall.

Amat, O., Perramon, J. (2006) Comprender las Normas Internacionales de información financiera NIC/NIIF, Gestion 2000, ACCID.

IASB (2010) International Financial Reporting Standards required for annual reporting periods beginning on 1 January 2011: the consolidated text of International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) and Interpretations together with their accompanying documents.

5.3. Teaching resources

- Exercises
- Slides
- Videos
- Additional material will be posted in the Aula Global.

6. Methodology

La asignatura se estructura pues en: The course is structured in:

- **Sesiones de teoría:** son sesiones de una hora y media para todo el grupo. **Plenary sessions:** sessions have duration of an hour and a half for the whole group. Durante la primera parte el profesor introduce conceptos teóricos y la segunda parte se dedica a un caso práctico aplicativo. During the first part, the teacher introduces theoretical concepts and the second part is devoted to a case study of their application.
- **Sesiones de seminarios:** son sesiones presenciales donde el profesor lleva el seguimiento y control del trabajo en grupo a presentar al final del trimestre. **Seminar Sessions:** sessions where the teacher leads the monitoring and control of group work to submit at the end of the quarter. En la mayoría de las sesiones habrán presentaciones de informes sobre los casos prácticos por parte de los estudiantes. In most of the sessions will include presentations of reports on case studies by students. Se valorará el debate y la participación de los estudiantes.

Para seguir la asignatura el estudiante dispone de una guía de recursos didácticos donde se detalla el material y el espacio en el que se encuentran.

7. Activities Planning

A general guideline of the activities is detailed below. Every year the professor will publish a calendar with the exact dates and the weeks in which the seminars will be take place.

Week	Plenary Session 1	Plenary Session 2	Seminar
1	Topic 1	Topic 1	
2	Topic 2	Topic 2	
3	Topic 3	Topic 3	
4	Topic 4	Topic 4	
5	Topic 5	Topic 5	<i>Seminar 1</i>
6	Topic 6	Topic 6	<i>Seminar 2</i>
7	Topic 7	Topic 7	<i>Seminar 3</i>
8	Topic 8	Topic 8	<i>Seminar 4</i>

Week	Plenary Session 1	Plenary Session 2	Seminar
9	Topic 9	Topic 9	<i>Seminar 5</i>
10	Revision	Revision	<i>Seminar 6</i>