

**COURSE DATA****Data Subject**

Code	35885
Name	Introduction to financial accounting
Cycle	Grade
ECTS Credits	6.0
Academic year	2023 - 2024

Study (s)

Degree	Center	Acad. year	Period
1314 - Degree in International Business	Faculty of Economics	1	Second term

Subject-matter

Degree	Subject-matter	Character
1314 - Degree in International Business	8 - Business	Basic Training

Coordination

Name	Department
ARCE GISBERT, MIGUEL	44 - Accountancy

SUMMARY

Introduction to FINANCIAL ACCOUNTING is a foundation course, taught in the second semester of the first year of the Degree in INTERNATIONAL BUSINESS. This course is linked to the area of Business Administration and comprises six ECTS credits.

The subject is designed for beginners in the study of financial accounting. The course has a double perspective, theoretical and practical, for the understanding of the principles and concepts needed for the preparation and use of the financial statements. It is expected that at the end of the course the student: acquire a good understanding of the nature and objectives of the financial accounting; know how to prepare financial statements based on simple business transactions; and understand the principles of preparation of financial statements from an international perspective.

This subject is link with other two subjects that form the module BUSINESS:INTRODUCTION TO BUSINESS ADMINISTRATION MARKETING and FINANCIAL MATHS. In this sense FINANCIAL ACCOUNTING provide fundamental information for the business decisions making process that you study in those subjects.



From a professional perspective the FINANCIAL ACCOUNTING is a key instrument in the development of a successful career, where the professional should apply different international strategies, with an increasing competence and the need to discriminate between numerous investment options. Moreover the professionals should study and adapt to the changes in the regulation and profession of accounting and auditing.

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

No prior knowledge, other than the degree entry requirements, needs to be accredited to take this course.

OUTCOMES

1314 - Degree in International Business

- Develop the capacity to evaluate and critically analyse international economic phenomena and agents.
- Be able to work in multidisciplinary and intercultural teams.
- Understand and reflect on socio-economic and political contexts that affect business and economic decision-making in an international environment.
- Understand the structure and functioning of companies and organisations operating in an international context.
- Develop an ethical attitude in business, respecting human rights and the environment both in the country of origin of the company and in the different markets in which it operates.
- Prepare, interpret and analyse the accounting information of companies.
- Use the economic and financial information of the company to make decisions.
- Develop the capacity to prepare and defend reports that contribute to the decision-making of public and private agents.
- Ser capaz de diseñar y jerarquizar objetivos.
- Conocer los elementos básicos que conforman el entorno empresarial.
- Conocer el método contable y los conceptos de renta y patrimonio, así como los elementos que lo integran.
- Conocer los principios de valoración.



- Conocer los principios de elaboración de los estados financieros básicos.

LEARNING OUTCOMES

Upon completion of the course, students will be able to:

- Develop capabilities to make managerial decisions with incomplete information.
- Develop an ethical attitude in business, respectful of people's rights and the environment.
- Record basic business transactions, and understand the valuation criteria of income and financial position.
- Develop a global view of the business organization and the inter-relationships between its different components.
- Know the economic and financial language and the usefulness of information for the decision making process in management, investment, and financing.

DESCRIPTION OF CONTENTS

1. Accounting information and financial statements

- 1.1. Accounting as an information system
- 1.2. Users of accounting information: decision makers
- 1.3. Accounting measurement
- 1.4. The corporate forms of business
- 1.5. Financial statements and their elements
- 1.6. GAAP
- 1.7. Ethical issues: codes of professional conduct

2. Analyzing business transactions

- 2.1. Measurement issues
- 2.2. Double-entry system
- 2.3. Business transaction analysis
- 2.4. The trial balance
- 2.5. Recording and posting transactions
- 2.6. Cash flows and the timing of transactions
- 2.7. Ethical issues in accounting measurement

3. Measuring business income

- 3.1. Profitability, measurement issues and ethics
- 3.2. Accrual accounting
- 3.3. The adjustment process
- 3.4. Accrual accounting and the financial statements
- 3.5. Closing entries



- 3.6. Cash flows from accrual-based information
- 3.7. Ethical issues in measuring business income

4. Financial reporting

- 4.1. Foundations of financial reporting
- 4.2. Accounting conventions for preparing financial statements
- 4.3. Classified balance sheet
- 4.4. Income statement
- 4.5. Ethical aspects in financial reporting

5. Merchandising operations

- 5.1. Managing merchandising business
- 5.2. Terms of sale
- 5.3. Perpetual inventory system
- 5.4. Periodic inventory system
- 5.5. Ethical aspects in the accounting for merchandise inventories

6. Inventories

- 6.1. Managing inventories
- 6.2. Inventory cost and valuation
- 6.3. Lower of cost or market (LCM) rule
- 6.4. Ethical aspects in accounting for inventories

7. Cash and receivables

- 7.1. Cash equivalents: concept and types
- 7.2. Accounts receivables: concept and types
- 7.3. Financing receivables
- 7.3. Uncollectible accounts
- 7.4. Notes receivables
- 7.5. Ethical aspects in the accounting for cash and receivables

8. Current liabilities

- 8.1. Types of current liabilities
- 8.2. Contingent liabilities and commitments
- 8.3. Valuation of current liabilities
- 8.4. Ethical aspects in the accounting for current liabilities



9. Non-current assets (non-financial)

- 9.1. Concept and types
- 9.2. Acquisition cost of property, plant, and equipment
- 9.3. Depreciation
- 9.4. Disposal of depreciable assets
- 9.5. Intangible assets
- 9.6. Ethical aspects in the accounting for non-current assets

10. Long-term liabilities

- 10.1. Types of long term debt
- 10.2. Issuance of long-term debt
- 10.3. Accrual of interest expense
- 10.4. Amortization of long-term debt
- 10.5. Ethical aspects of long-term financial liability accounting

11. Shareholders' equity

- 8.1. Shareholders equity: concept and components
- 8.2. Issuance of stock
- 8.3. Accounting for treasury stocks
- 8.4. Dividends
- 8.5. Ethical aspects of accounting for shareholders' equity

12. Investments

- 12.1. Classification, recognition, and valuation of investments
- 12.2. Short-term investments in equity securities
- 12.3. Long-term investments in equity securities
- 12.4. Investments in debt securities
- 12.5. Ethical aspects of accounting for financial investments

**WORKLOAD**

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	30,00	100
Study and independent work	45,00	0
Preparation of evaluation activities	15,00	0
Preparation of practical classes and problem	30,00	0
TOTAL	150,00	

TEACHING METHODOLOGY

There will be a two-hour lecture plus a two-hour practice session per week, thus totalling four classroom hours per week. Students in the class will be split into two sub-classes (sub-groups) for practice sessions.

Lecture slides and practice sessions guidelines and relevant materials will be uploaded onto the course's virtual classroom (www.aulavirtual.uv.es). As part of a full-time degree, attendance is strictly compulsory to all classroom activities of the course.

Students are encouraged to participate actively in all classes, including lectures. Students are also expected to arrive to lectures on time, and mobile phones must be turned off at all times, and texting is not allowed - it is disruptive and disrespectful to the lecturer and to fellow classmates. Students should also refrain from talking to neighbours during lectures. Comments or questions related to the lecture contents can of course be made, but they must be addressed at the lecturer.

Should the students have any course-related queries, questions or feedback, or should they need any guidance or advice on practice assignments, they are encouraged to take advantage of the office tutorials during the lecturer's office hours.

EVALUATION

The course assessment has two components:

- (A) A written exam, it represents the 60% of the final grade.
- (B) Continuous assessment, it represents the 40% of the final grade.

Continuous assessment includes different components: active class participation, individual self-reflective reports, team assignments (including presentations) and other activities. The continuous assessment is considered non-recoverable.

The exam needs to be passed in order to be able to pass the course. If you pass the written exam, the final assessment is the average mean of the two previous components.

The student's final mark is obtained by adding the continuous assessment mark and the final examination mark (as long as this final examination is passed). If final examination is failed, the final mark will never exceed 4.5 (out of 10).



REFERENCES

Basic

- Williams, J., Bettner, M., Carcello, J., & Haka, S. (2021). Financial Accounting (18th Edition ed.). McGraw Hill.
<https://www.mheducation.com/highered/product/financial-accounting-williams-bettner/M9781260247947.html>

Additional

- WEYGANDT, J., P. KIMMEL and D. KIESO (2018): Financial Accounting with International Financial Reporting Standards, 4th Edition (International Student Version). John Wiley & Sons.
- VELA, J.M. Coord. (2021). Fundamentos de contabilidad financiera. El Plan General de Contabilidad. Pirámide.
- VELA, J.M., PORCUNA, L. y PORCUNA, R. Coords. (2022). Fundamentos de contabilidad financiera. El Plan General de Contabilidad. Casos prácticos. Pirámide.
- Código de Contabilidad Financiera y Sociedades, edición actualizada a 21 de diciembre de 2016.
- Directivas y Reglamentos de la UE sobre contabilidad (adopción de las NIIF-UE) de aplicación a partir de 1 de enero de 2024.