



Universidad
de Alcalá

FACULTAD DE CIENCIAS
ECONÓMICAS Y EMPRESARIALES

GUÍA DOCENTE

INTRODUCTION TO ACCOUNTING

(Programme Guide)

Programme to be extinguished

**Grado en Administración y Dirección de
Empresas**

Segundo Curso – Primer Cuatrimestre

**Doble Grado en Derecho y Administración
y Dirección de Empresas**

Segundo Curso – Primer Cuatrimestre

Grado en Contabilidad y Finanzas
Segundo Curso – Primer Cuatrimestre

Grado en Economía
Segundo Curso – Primer Cuatrimestre

**Grado en Economía y Negocios
Internacionales**
Segundo Curso – Primer Cuatrimestre

Universidad de Alcalá

Academic Year 2021/2022

Second Year – First Term

PROGRAMME GUIDE

Name of Subject:	INTRODUCTION TO ACCOUNTING
Code:	340008
Career title:	GRADO EN ADMINISTRACIÓN Y DIRECCIÓN DE EMPRESAS, DOBLE GRADO EN DERECHO Y ADMINISTRACIÓN Y DIRECCIÓN DE EMPRESAS, GRADO EN CONTABILIDAD Y FINANZAS, GRADO EN ECONOMÍA, GRADO EN ECONOMÍA Y NEGOCIOS INTERNACIONALES, MÁSTER UNIVERSITARIO EN CIENCIAS ACTUARIALES Y FINANCIERAS

Department and Knowledge Area:	ECONOMÍA Y DIRECCIÓN DE EMPRESAS (ECONOMÍA FINANCIERA Y CONTABILIDAD)
Character:	BASIC
ECTS (Credits):	6
Course and term:	2nd Year. First Term
Lecturers:	ANNE MARIE GARVEY (Programme Leader) SARA HELENA OTAL FRANCO FABRIZIO DI MEO
Tutorials:	Tutorials at convenient times for student and Professors and at set fixed times: <u>anne.garvey@uah.es</u> <u>sarah.otal@uah.es</u> <u>fabrizio.dimeo@uah.es</u>
Language:	English (ENI & DADE. Optional for other Students). Spanish (In all Business related Degree courses).

1. PRESENTATION

This subject is aimed at students in second year of a Business related Degree course and more precisely in the Degree in Economics and International Business (Grado en Economía y Negocios Internacionales) and the Double Degree in Law and Commerce (Grado en Derecho y Administración de Empresas). It is optional for all students from other Degree courses and is programmed for the first term.

Accounting is a fundamental material in order to understand the world of economics and business, as it includes elements such as the registry, measurement and representation of economic reality. Concepts such as assets, liabilities, equity, results or return cannot be managed appropriately without understanding to a certain degree the characteristics of their measurement and presentation in the financial statements (balance sheet, income statement, etc.).

As many subjects in the area of Economics, this subject has an instrumental characteristic, in that it allows students to obtain the knowledge of procedures which they may use in their professional career in a wide range of circumstances, many of them in other areas not related to accounting. The content of the subject is related to theory and practical accounting knowledge. Therefore, the student will manage structural concepts and at the same time will put into practice the understanding of economic operations, calculation and registration of information used by company and government organisations.

The knowledge acquired in the subject will be essential in order to understand and follow the subject Contabilidad Financiera y de Sociedades programmed for the second term. It will also be useful in other areas where accounting information is present with particular emphasis on financial accounting analysis, cost and management accounting, public accounting (accounting by governmental organisations), non profit making entities and national accounting (of the country, nation or the corresponding political grouping).

Accounting has an important link with other subjects from the study programme. Some of these subjects are Economía de la Empresa, Derecho de la Empresa y Derecho de Sociedades (Derecho Mercantil), Régimen Fiscal de la Empresa y Análisis de Operaciones Financieras. Introduction to Accounting is linked to subjects which give a general view of economic activity and its consequences in economic movement.

The knowledge acquired in accounting is useful for academic development in the degree and for carrying out work in any type of organisation. Accounting is very often a requirement in labour selection processes, be it in public administration (it is normally part of the themes included in public examinations for superior and technical positions) or in private organisations (where accounting knowledge is the first key to being a potential employee).

Indications and Recommendations

The Virtual Classroom “Blackboard” will be used as a communication tool between Professors and students in order to include course material, exercises to be solved and other related work included as part of the overall evaluation.

Students are recommended to follow a continuous study process of the subject given the accumulative character of the material included in the course. A student who is not up to date with the material will find it difficult to obtain the knowledge at a later stage. Students who follow this system have a high success rate in this subject.

This guide includes the teaching activities to be carried out in person, as well as exams, presentations and other activities. In addition, it contemplates the realization of other activities in a virtual way - synchronous or asynchronous - such as virtual classes, knowledge transmission, the delivery of activities via platform, peer learning activities (blogs or WIKI), self-assessment exercises or exams.

If, due to exceptional circumstances, face-to-face activities provided in this teaching guide cannot be carried out, they will be carried out through the Virtual Classroom, guaranteeing that the competences and skills are acquired by the student body using the tools available on the University's teaching-learning platform.

The objectives, agenda, practical activities, calendar, qualification criteria, etc., are not affected in this subject with the passing of activities from presential classes to online and telematic methods.

The participation of the student must be guaranteed both in the both the physical and virtual activities and, therefore, sufficient technological means must be available for its correct development. In the case of students, they must be able to access the teaching and learning platforms provided by the University with an adequate authentication system and participate in synchronous activities through their devices (a smartphone is enough). If you do not have them, you must inform the teacher at the beginning of the course.

In the programmed evaluations, the necessary mechanisms will be arbitrated to guarantee the realization of the tests individually and individual oral tests may be carried out on the students (both personally and electronically) to be able to prove the acquisition of certain skills. In any case, these requirements will be made known to the students with sufficient notification.

Students should attend the examinations with a formal identification document (university card, passport or national identity card). In the case of virtual tests, it will be necessary to have an accrediting document which includes the student's signature.

2. KNOWLEDGE ACQUIREMENT

The knowledge acquired is a combination of theoretical and practical skills useful to a professional to confront problem solving successfully or to intervene in an issue in an academic, professional or social context.

In the development of the subject as in the evaluation proposal are considered not only the knowledge to be acquired but also the skills and understanding that are mentioned in the report on the Degree in Commerce (Grado de Administración y Dirección de Empresas) of the Universidad de Alcalá.

The knowledge to be acquired in this subject is divided into two categories: generic and specific.

Generic knowledge acquired:

1. Reading comprehension, analysis and synthesis of material.
2. Skill development in order to look up information, select documentation in databases and other search tools for management sciences related information.
3. Introduction to debating ideas with the help of textbooks and other reference books indicated for the subject.
4. Capability to communicate ideas and to express them correctly both orally and in writing.
5. Strengthen the skills of learning in groups and individually.

Specific knowledge acquired:

1. Understand the system of accounting information, the technical concepts, and the methods for registering, measuring and presenting economic operations.
2. Analysis of basic economic operations and processes of operating, investment and financing activities.
3. Identify economic effects on income and assets.
4. Apply theoretical knowledge to practical cases.
5. Preparation and interpretation of closing financial statements.
6. Reflect on the coherence of information, operations and results in real situations.
7. Adopt simple management decisions on the results obtained from practical examples.
8. Understand the basic concepts of the accounting regulation.

3. CONTENTS

Part I. Introduction to Financial Accounting

Theme 1. Accounting: The language of business

- 1.1. A model of business activity.
- 1.2. Accounting: a language for business.
- 1.3. Definition of financial accounting.
- 1.4. Users of financial accounting.
- 1.5. Financial reporting standards.
- 1.6. Introduction to the accounting process.
- 1.7. Financial accounting and managerial accounting.
- 1.8. Qualitative characteristics of useful financial statements.

Theme 2. Introduction to financial statements

- 2.1. Balance sheet or statement of financial position.
- 2.2. Basic business equation.
- 2.3. Income statement.
- 2.4. Notes to financial statements.
- 2.5. Notion of depreciation.
- 2.6. Profit appropriation.
- 2.7. Consumption of resources and inventory.

Theme 3. Financial statements presentation

- 3.1. Balance sheet.
- 3.2. Income statement.
- 3.3. Notes to financial statements.
- 3.4. Cash flow statement.
- 3.5. Annual report.
- 3.6. Terminology.

Theme 4. The accounting process

- 4.1. Double entry bookkeeping and the recording of transactions.
- 4.2. The accounting process.
- 4.3. Organization of the accounting system.
- 4.4. The chart of accounts.

Theme 5. Accounting principles and end-of-period adjustments

- 5.1. Accounting principles.
- 5.2. End-of-period entries.
- 5.3. Recording of adjusting entries.
- 5.4. Correction of errors.
- 5.5. Ending inventory.
- 5.6. Closing entries.
- 5.7. Limitations on the applicability of accounting principles.

Theme 6. Revenue recognition issues/Tangible fixed assets

- 6.1. Issues of revenue recognition.
- 6.2. Accounting for differences in net income calculations originating from diverging reporting and tax regulations.
- 6.3. Long-term contracts.
- 6.4. Instalment sales.
- 6.5. Deferred taxation.
- 6.6. Exceptional items.
- 6.7. Changing in accounting estimates.
- 6.8. Fundamental errors.
- 6.9. Changes in accounting policies.
- 6.10. Discontinuing operations.
- 6.11. Comprehensive income.
- 6.12. Government assistance: grants and subsidies.

Contents	Total hours
Themes 1 to 3	• 9
Themes 4 to 5	• 24

Chronogram

Week / Session	Contents
01^a	• Theme 1
02^a	• Theme 1
03^a	• Theme 2
04^a	• Theme 2
05^a	• Theme 3
06^a	• Theme 3
07^a	• Theme 4
08^a	• Theme 4
09^a	• Theme 4
10^a	• Theme 5
11^a	• Theme 5
12^a	• Theme 5
13^a	• Theme 6
14^a	• Theme 6

4. TEACHING-LEARNING METHODOLOGY. PRACTICAL ACTIVITIES

4.1. Credit distribution

Number of class assistance hours: 50	<ul style="list-style-type: none"> • Theory classes: 21 hours • Practical classes: 21 hours • Evaluations, tutorials and seminars: 8 hours
Number of personal study hours by student: 100	<ul style="list-style-type: none"> • Preparation of practical examples: 52 hours • Self study: 48 hours

Total hours	<ul style="list-style-type: none"> • 150
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4.2. Strategic methodology, materials and educational resources.

Assistance at classes	<ul style="list-style-type: none"> • Theory and practical sessions in small or large groups. • Presentation of projects in class. • Classes aimed at developing and applying the concepts learned through practical examples. • Continuous assessment tests during the term to examine the acquisition of concepts by students.
Self study	<ul style="list-style-type: none"> • Reading. • Researching information. • Preparation of activities: exercises and projects. • Consultation with the professor on the virtual classroom.
Tutorials	<ul style="list-style-type: none"> • Individual and Group attention will be given to students through tutorials to provide an adequate follow up process on students.
Exam	<ul style="list-style-type: none"> • At the end of the course there will be a theory and practical examination whereby students will have to interrelate all concepts and procedures learnt during the course of their study.
Materials and educational resources	<ul style="list-style-type: none"> • A course textbook will be used for this course together with additional information included on the virtual classroom "Blackboard". • Students should use the library to consult other reference books and manuals for self study and preparation of projects. • Practical accounting exercises should be resolved giving special attention to the presentation and using Excel where appropriate. • We will collaborate with the CRAI-Library professionals so that the students carry out an activity that develops the informational competences in the use and management of the information.

More information on strategic methodology:

Tutorials:

Tutorials will be available to students by the Professors of the subject either in the lecture hall or by appointment in the Professor's office. In certain cases, a Professor may call an obligatory tutorial session for a student where the results of continuous assessment indicate this necessity. The Professor may indicate to the student the themes to be dealt with at that tutorial etc.

The University of Alcalá guarantees its students that, if due to health requirements, the competent authorities prevent the total or partial attendance to the teaching activity, the academic programmes would achieve their objectives through a teaching and evaluation methodology online, returning to presential methods as soon as possible.

5. EVALUATION: Procedure, evaluation criteria and marking

Evaluation procedures

The usual process of evaluation will be focused on the continuous assessment of the student. Students who do not wish to follow this method of evaluation must inform the Dean's office in the first two weeks of the course explaining the reasons why they are unable to follow this study procedure.

If the student doesn't participate in the process of teaching-learning according to that established in this programme, they will be considered as absent in the ordinary sitting.

CONTINUOUS ASSESSMENT

1. Attendance at classes, interest and participation: The Professors will control the attitude, interest and participation of students.
2. Solving and explanations of practical examples: In each area, exercises will be highlighted to be solved by students. Where students must hand in exercises to the Professor and there are indications that the exercises were copied then students will lose the right to continuous assessment.
3. Exams and non programmed tests: After each theme at the discretion of the Professor a non programmed test may be given to students.
4. Final exam: on finishing the contents of the course, students will take a theoretical and practical exam on the full content of the subject on the dates indicated by the Dean's office.

FINAL ASSESSMENT

Those students, who opt for the final examination evaluation, must undergo a practical and theory exam as the only means of passing the subject in order to clarify if the individual learning procedure was sufficient to obtain the required knowledge. In order to pass the subject, the student must show that they have satisfactorily obtained the knowledge in all areas of the course.

EXCEPTIONAL ASSESSMENT

In exceptional exams, as it is not possible to carry out additional continuous assessment tests, the conditions for all students will be the same as the conditions for those students who rejected the continuous assessment during the course. Exceptionally the lecturer can take into account some of the results obtained during the course if this would benefit the student.

Evaluation procedures

The evaluation procedure will be used to examine the acquired knowledge.

For the conceptual content, students must show during the course that they:

- Understand the concepts and the main ideas of each theme.
- Can relate contents to practical examples.
- Develop ideas coherently.
- Are capable of solving problems adequately.
- Are careful with the presentation of their work.

For the practical content, students must show that they:

- Can interpret the information and problems.
- Solve practical exercises efficiently.
- Present work in the correct format.
- Present exercises in the designated time.
- Know how to work in groups.
- Present original project work.

Marking procedures

According to R.D 1125/2003 results must include both a numerical and qualitative result.

0,0 - 4,9	FAIL (SS)
5,0 - 6,9	PASS (AP)
7,0 - 8,9	SECOND CLASS HONOURS (NT)
9,0 - 10	FIRST CLASS HONOURS (SB)
9,0 – 10	DISTINCTION limited to 5%

1. Class attendance, interest and participation: 10%
2. Solving and presenting practical exercises and projects: 30%/25%
3. Non programmed tests: 30%/25%
4. Final exam: 30%/40%

In order to pass the subject, the student must satisfactorily obtain knowledge in all areas of the course, understanding that all the tests as a whole result in the acquisition of the course contents. This requires obtaining a satisfactory grade in each of the areas.

6. BIBLIOGRAPHY

Bibliography

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Lebas, Ding and Stolowy (2010); Financial Accounting and Reporting. Cengage. England. ISBN-13: 978-1408021132

[Additional bibliography](#)

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Fundamental Financial Accounting Concepts, Edition 7, Edmonds, McGraw-Hill, 2006. ISBN 978-0-07-352712-3.

Kieso, Weygandt and Warfield (2010). Financial Accounting: IFRS Edition. John Wiley & Sons; 1st Edition edition (11 Jun 2010). **ISBN-13: 978-0470552001**

Kieso, Weygandt and Warfield (2010). Intermediate Accounting: Principles and Analysis. Second edition. ISBN-13: 978-0470616307

7. INFORMATIVE NOTE

The University of Alcalá guarantees its students that, if due to health requirements, the competent authorities prevent the total or partial attendance to the teaching activity, the academic programmes would achieve their objectives through a teaching and evaluation methodology online, returning to presential methods as soon as possible.



Respecting SDG

In teaching this subject, the Sustainable Development Goals contained in the United Nations 2030 Agenda will be followed. Special emphasis will be placed on reducing inequalities, climate action and the protection of life in both terrestrial and marine ecosystems. Regarding business management, there will be an impact on the supply of decent work, the achievement of responsible production and consumption goals and the use of renewable and non-polluting energy.