



Universidad
de Alcalá

FACULTAD DE CIENCIAS
ECONÓMICAS Y EMPRESARIALES

GUÍA DOCENTE

INTERNATIONAL ACCOUNTING

Grado en Negocios Internacionales
Universidad de Alcalá

Academic Year 2019/2020

Second Course – Second Semester

PROGRAMME GUIDE

Name of the subject:	INTERNATIONAL ACCOUNTING
Code:	361004
Career title:	GRADO EN ECONOMÍA Y NEGOCIOS INTERNACIONALES
Department and Knowledge Area:	ECONOMÍA Y DIRECCIÓN DE EMPRESAS (ECONOMÍA FINANCIERA Y CONTABILIDAD)
Character:	OBLIGATORY
ECTS credits:	6
Course and Term:	2º Course 2º semester
Professors:	ANNE GARVEY(Responsible) SARA OTAL FRANCO FABRIZIO DI MEO
Tutorials:	Tutorials at convenient times for student and Professors and at set fixed times: anne.garvey@uah.es fabrizio.dimeo@uah.es
Language:	English

1. PRESENTATION

This subject is aimed at students in second year of Grado en Economía y Negocios Internacionales, and is programmed for the second term.

International Accounting is a discipline that helps students learn how accounting works outside the borders of their own country. It is a tool to understand the economic and business world, and that explores something as essential as the collection of instruments used, measurement and representation of economic reality.

Students will examine the accounting obligations of the member countries of the European Union. They will examine other accounting systems different to their own country. They delve into the pros and cons of accounting harmonization. They analyse accounting regulations from some of the most important international organizations.

The content of the course presents a theoretical and practical profile, which means that, while the conceptual structures are managed, it is necessary to practice certain skills for understanding economic transactions, calculation and to situate the information. The skills acquired in international accounting are useful for the academic career development and for job performance in multinational organizations. Multinational companies

look for employees with an international culture and who have the ability to interpret financial statements in English.

Indications and Recommendations

Students should attend the examinations with a formal identification document (university card, passport or national identity card).

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.

Students should attend the examinations with a formal identification document (university card, passport or national identity card).

2. KNOWLEDGE ACQUIREMENT

The knowledge acquired is a combination of theoretical and practical skills useful to a professional to deal with different business situations in English.

In the development of the subject as in the proposed evaluation mechanism are considered not only the knowledge but also the skills and attitude that are mentioned in the report of Grado en Economía y Negocios Internacionales of Alcalá University.

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 text books 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. To reach the basic knowledge of accounting systems outside Spain.
2. Understand the consequences for Spain and other countries on their incorporation into the EU.
3. Understand the objectives of the IASB (International Accounting Standards Board), its projects and plans for the future.
4. Analyse in detail some IFRS (International Financial Reporting Standards) and examine the ideas incorporated in others.
5. Understand and interpret part of the Annual Report of a multinational company according to International standards in Spanish and English.

3. CONTENTS

I. INTRODUCTION TO INTERNATIONAL ACCOUNTING

Theme 1. The origin and motivation for International Accounting (IASB).

- 1.1. The origins of the IASB.
- 1.2. The actual structure of the IASB.
- 1.3. The IASB and the European Union.
- 1.4. The IASB and the USA.
- 1.5. The factors that promote International Accounting; cultural, legal, economic and political.

Theme 2. Presentation of Financial Accounts.

- 2.1. Objective. Scope and purpose of the Financial Statements.
- 2.2. Analysis of IAS 1. Presentation of Financial Statements.
- 2.3. Fair Value and conformity with IFRS.
- 2.4. Going Concern.
- 2.5. Comparative information.
- 2.6. Consistency in information presentation.

II. COMPANY FINANCING

Theme 3. Self-financing: Operations with capital and reserves.

- 3.1. Capital as a source of funding.
- 3.2. Company Incorporation: types of capital.
- 3.3. Reserves as a source of funding.
- 3.4. Types of reserves and accounting for them.
- 3.5. The distribution of Net Income.

Theme 4. External financing. Loans and borrowings.

- 4.1. Financial liabilities: valuation criteria.
- 4.2. Analysis of IAS 32 and 39.
- 4.2. Concept of loans and borrowing.
- 4.3. Bonds and l/t loans. Obligaciones y préstamos a l/p.
- 4.4. Borrowings and bank loans with explicit and periodic interest.

III. NON-CURRENT ASSETS AND FINANCIAL INVESTMENTS

Theme 5. Tangible Assets.

- 5.1. Concept, terminology and types of plant and equipment.
- 5.2. Analysis of IAS 16.
- 5.3. Measurement at time of recognition.
- 5.4. Measurement after initial recognition.
- 5.5. Revaluation model.
- 5.4. Depreciation.
- 5.5. Asset Impairment. IAS 36.

Theme 6. Intangible Assets.

- 6.1. Concept, terminology and intangible asset rules.
- 6.2. Analysis of IAS 38.

- 6.3. Recognition and Measurement.
- 6.4. Other internally generated intangible assets.
- 6.5. Measurement after initial recognition.
- 6.6. Intangible assets with finite useful lives.
- 6.7. Amortization.
- 6.8. Impairment of Assets. IAS 36.

Theme 7. Long term Leases: investment and financings.

- 1.1. Concept, terminology and leasing rules.
- 1.2. Analysis of IAS 17.
- 1.3. Operating leases.
- 1.4. Finance leases.
- 1.5. Accounting for leases in the financial statements of lessors.
- 1.6. Sale and leaseback transactions.

Theme 8. Financial Investments: types and accounting treatment.

- 8.1. Concept, terminology and financial investment rules.
- 8.2. Analysis of IAS 32 and 39.
- 8.3. Classification of financial assets.
- 8.4. Financial assets: initial recognition.
- 8.5. Subsequent measurement of financial assets.
- 8.6. Impairment and payment default of financial assets.

IV. THE PRINCIPLES THAT GOVERN THE NET INCOME CALCULATION.

Theme 9. Revenue recognition.

- 9.1. Concept, terminology and revenue rules.
- 9.2. Analysis of IAS 18.
- 9.3. Sale of goods.
- 9.4. Provision of services.
- 9.5. Interest, royalties and dividends.

Theme 10. Accrual principle

- 10.1. Explanation of accruals.
- 10.2. Application of accruals.
- 10.3. Accrued income and expenses.

Theme 11. Prudence principle: provisions and impairment.

- 11.1. Explanation of the prudence principle.
- 11.2. Application of the prudence principle.
- 11.3. Analysis of IAS 36 and 37.
- 11.4. Recognition and measurement of a provision.
- 11.5. Contingent liabilities.

Theme 12. Non-recurring results: non-current assets, exceptional and discontinued operations.

- 12.1 Profit and Los of Non-current assets.
- 12.1. Exceptional results.
- 12.2. Discontinued operations.
- 12.3. Analysis of IFRS 5.

V. Financial Statements.

Theme 13. Balance Sheet/Statement of Financial Situation.

- 13.1. Introduction.
- 13.2. Structure and content.
- 13.3. Asset classification.
- 13.4. Liability classification.
- 13.5. Equity classification.
- 13.6. Notes to the Accounts.
- 13.7. Reference to IAS 1: Presentation of Financial Statements.

Theme 14. The statement of Comprehensive Income and the Statement of Changes in Equity.

- 14.1. Introduction.
- 14.2. Structure, content and terminology.
- 14.3. Components of the statement of comprehensive income.
- 14.3. Classification and measurement of revenue, expenses and other results.
- 14.4. Components of the Statement of Changes in Equity.

Theme 15. Reading and interpretation of Financial Statement in English.

- 15.1. Introduction.
- 15.2. Comprehension of the terms of the financial statements in English.
- 15.3. Interpretation of financial statements in English.

Content	Total de hours
I. INTRODUCTION TO INTERNATIONAL ACCOUNTING.	• 3
II. COMPANY FINANCING.	• 9
III. NON-CURRENT ASSETS AND FINANCIAL INVESTMENTS	• 12
IV. THE PRINCIPLES THAT GOVERN THE NET INCOME CALCULATION.	• 12
V. FINANCIAL STATEMENTS	• 6

Chronogram

Week / Session	Content
01	• Theme 1
02	• Theme 2
03	• Theme 3

04	• Theme 4
05	• Theme 5
06	• Theme 6
07	• Theme 7
08	• Theme 8
09	• Theme 9
10	• Theme 10
11	• Theme 11
12	• Theme 12
13	• Theme 13
14	• Theme 14/15

4. TEACHING-LEARNING METHODOLOGY. PRACTICAL ACTIVITIES

4. Distribution of Credits

Number of class assistance hours: 56	<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: 94	<ul style="list-style-type: none"> • Preparation of practical examples: 52 hours • Self study: 48 hours
Total hours	150

4.2. Strategic methodology, materials and educational resources.

The teaching-learning methodology of this subject is detailed in the following paragraphs.

Presential Classes in large groups:

Students will be provided in advance (in the Virtual Classroom) with the slides or notes used by the teacher to monitor the theory classes (large group) where the main objectives are:

- Perform an explanatory and structured presentation of each topic.
 - Highlight the most important for learning each of the subjects that the student must acquire in their self-employment issues.
- Highlight the most important for learning each of the subjects that the student must acquire in their self-employment issues.

Approximate number of hours: 21 hours

The student must bring prepared (at least started) exercises to each session (available in the Virtual Classroom) to be resolved in these sessions. The key is their active participation through questions and answers or work performed , either in groups or individually .

The basic activity will be:

- Approach and solving practical problems.
- Project presentations and practical problems.

Tutorials:

The student has the right to tutorials by the lecturers of the subject, either in the classroom where classes are taught or in the offices at the specific times established. In certain cases, the teacher can ask a student to go to a mandatory tutorial when the results of the continuous evaluation are not as expected. The teacher may send a notice to the students by email relating to the topics to be dealt with in the tutorial. Turns may also be established to the tutorials in order to avoid unnecessary waiting time by students.in the mail that will relate the topics , so that teachers can prepare the material that would be necessary to establish a mentoring turn (to avoid unnecessary delays by the student) , etc.

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.

5. EVALUATION: Procedures, evaluation and marking criteria

Evaluation Criteria

The evaluation will assess the skills acquired.

In relation to the conceptual aspects, the student must demonstrate during the course:

- An understanding of the principle concepts and ideas of each of the topics.
- Relate the contents of the topics to the practical exercises.
- To develop the ideas coherently.
- To be able to resolve problems in a comprehensive manner.
- Capacity to summarise.
- Presently ideas carefully and rigourously.

In relation to the practical concepts, students should be able to show:

- An adequate interpretation of data and problems.
- Resolution of problems adequately.
- Rigorousness in the preparation of formal structures.
- Coherence in the presentation of practical work in the time assigned.
- Capability of finding accounts from the Chart of Accounts and ability to interpret valuation criteria.
- Ability to work in groups.
- That the practical projects are original.

Marking Criteria

According to the law R.D 1125/2003 which regulates the Diploma Supplement qualifications, the grades must adopt a scale with a decimal number and a qualitative rating:

0,0 - 4,9	FAIL (SS)
5,0 - 6,9	PASS (AP)
7,0- 8,9	GOOD (NT)
9,0 - 10	EXCELLENT (SB)
9,0 – 10	HONOURS limited to 5%

Evaluation procedures

The methodology of the course is designed for active teaching- learning, participative, continuous and cumulative. So the continuous assessment procedure is the general rule for the course, according to the Bologna reform Declaration. If a student does not participate in the teaching-learning process as set out in this teaching guide they will be deemed as not attending the ordinary sitting.

Students who decide to leave the system of continuous assessment must apply to the Dean in the first two weeks from the start of the subject, explaining the reasons that prevent them from following the system of continuous assessment (Regulation on the Regulatory Process of the Assessment of Learning).

If no request is made, the student will be evaluated continuously. A student cannot change the process of evaluation during the course, but must apply during the period indicated.

CONTINUOUS ASSESSMENT

The continuous assessment will be a combination of the following elements:

- Elaboration and presentation of a project on the material and/or non-programmed tests or tests on material given by the lecturer: 20%
- Continuous Evaluation through partial tests: 80%

The tests may consist in solving multi-choice tests or exercises. Students should pass these tests satisfactorily.

In order to pass the subject, the student must successfully pass all the tests, meaning that all the tests evaluate the acquisition of all the skills developed.

FINAL ASSESSMENT

Students who have been granted the right to the final assessment, in the cases and conditions provided expressed in the Regulations governing the processes of learning assessment, passed by the governing Council of the University of Alcalá on 24 March 2011. Consequently, students must apply in writing to the Dean in the first two weeks of the subject starting, explaining the reasons why they are prevented from following the system of continuous assessment.

The final evaluation will be conducted through a written exam consisting of a theoretical and practical part.

SPECIAL EXTRAORDINARY EXAMINATION

In the special extraordinary examinations, as additional continuous assessment cannot be made, the conditions for all students will be the same as for those who have renounced the continuous assessment during the course. Exceptionally, the teacher may take into account any of the grades obtained during the course if it benefits the student.

6. BIBLIOGRAPHY

Basic Bibliography

NAVARRO HERAS, L. y otros (2015) *Financial Accounting II*. Edisofer. ISBN: 9788415276364

The literature listed below is intended to assist students in finding information to carry out projects. It is not exhaustive but an indicative list.

GONZALO ANGULO, J.A. y otros (2015). *The Convergence Journey. Comparison and Critical Analysis of the Financial Accounting Standards Codification (US GAAP) and International Financial Reporting Standards (IFRS)*. Garceta. ISBN: 9788416228225

Complementary Bibliography

ASOCIACIÓN ESPAÑOLA DE CONTABILIDAD Y ADMINISTRACIÓN DE EMPRESAS (AECA)
Documentos de la Serie "Principios Contables".

CEA GARCÍA, J.L.

"Las cuentas anuales en la Comunidad Económica Europea". Asociación Española de Contabilidad y Administración de Empresas (AECA). Monografía nº 1. Madrid, 1986.

GÓMEZ, FRANCESC.

"NIC/NIIF ejercicios resueltos comentados". Gestión 2000 Barcelona 2006

INTERNATIONAL ACCOUNTING STANDARDS BOARD

"Internacional Financial Reporting Standards (IFRSs) including Internacional Accounting Standards (IASs) and interpretations as at 1 January 2006". Ediciones Internacional Accounting Standards Board 2006.

LAINÉZ GADEA, José Antonio.

"Manual de Contabilidad Internacional". Ediciones Pirámide. Madrid 2001.

LAWRENCE, STEVE.

"International Accounting". Ediciones de Thomson Business Press.

MALLO, CARLOS y PULIDO, ANTONIO

"Normas Internacionales de Contabilidad (NIIF) las Normas Internacionales de Información Financiera". Ediciones Paraninfo 2006.

PARKER, R.H., NOBES, C.W.

"An International View of True & Fair Accounting". Ediciones Routledge London and New York 1994.

PINA MARTÍNEZ, V.

"Efectos económicos de las normas contables". Asociación Española de Contabilidad y Administración de Empresas (AECA). Monografía nº 11. Madrid, 1988.

SÁNCHEZ FERNÁNDEZ DE VALDERRAMA, J.L.

"Normalización y planificación contable". Instituto de Contabilidad y Auditoría de Cuentas. Madrid, 1989.

SOCÍAS SALVÁ, ANTONIO.

"La normalización contable en el Reino Unido, Francia, Alemania y España". Asociación Española de Contabilidad y Administración de Empresas (AECA). Monografía nº 18. Madrid, 1991.

SOCÍAS SALVÁ, ANTONIO.

"Readings in Accounting in the European Union". Ediciones del Universitat de les Illes Balears, 1996.