

10068 – Introduction to Financial Accounting

1 Accounting and Information Systems

The nature of accounting and the importance of information. The role and objectives of accounting. Major users of accounting information. Accounting systems. Requirements towards accounting information.

2 The Balance Sheet

The financial position/condition of a company. The three major elements of a balance sheet: Assets, liabilities and owners' equity. The balance sheet equation.

3 Accounting Methods

Accounting methods. Business activities: Economic and accounting transactions. Classification of accounting transactions. Recording of accounting transactions. The financial statements. Changes in the owners' equity: Income. Link balance sheet to income statement.

4 The Recording Process: Journal, Ledger, Accounts

The account as an accounting instrument. Classification of accounts. The journal and the ledger. Double-entry recording system.

5 The Accounting Cycle - An Introduction

Total income and periodic income. The accounting cycle - an introduction. Valuation of assets and liabilities: Basic accounting principles.

6 The Periodic Income: Revenues and Expenses

Revenues: Definition and classes. Expenses: Definition and classes. The accrual basis of accounting - Periodicity. The periodic income: Its calculation and recording. Distribution of the periodic income.

7 Inventories

Types of inventories. Permanent and periodic inventory systems. Recording purchase and sale transactions using the permanent and the periodic inventory systems. General comparison of both systems.

8 The Accounting Cycle In Detail

Stages in the accounting cycle: Opening stage. Development stage. Closing stage. Determination of the periodic income. The income statement – Forms of presentation:

T-account format and the multi-step report format. The balance sheet.

9 Accounting of Basic Transactions

Accounts receivable and payable. Noncurrent assets: Amortization and depreciation. Financial liabilities and financial investments.

10 Legal Aspects of Accounting

Legal regulation of accounting in Spain. Formal accounting principles and concepts. The Spanish 'Plan General de Contabilidad': Concept, objective, characteristics.

References:

In English:

HORNGREN, C.T.; SUNDEM, G.L.; ELLIOTT, J.A. Introduction to Financial Accounting, 8th edition, Prentice Hall 2002.

In Spanish or Catalan:

ROSANAS I MARTI, J. M. Informació comptable per a la presa de decisions empresarials: una introducció a la Comptabilitat. Barcelona: Ariel, 1992.

SOLDEVILA, P.; OLIVERAS, E. Manual de contabilidad. Barcelona: Gestión 2000, 2000,
2001.

Bibliografia complementària

CAÑIBANO CALVO, L. Contabilidad. Análisis contable de la realidad económica.

Madrid: Pirámide, 1995.

CAÑIBANO, L.; GONZALO, J. A. Prácticas de contabilidad. Madrid: Pirámide, 1991.