



Escuela Superior de Comercio Internacional



INTRODUCTION TO FINANCIAL ACCOUNTING

TIMES:

Monday, 18:45-20:15

Wednesday, 18:45-20:15

Thursday, 17:00-18:30

Course Description

This course introduces students to basic terminology, concepts, and practices of financial accounting. The goals are for students to be able to read correctly the primary financial statements, to understand the procedures used to prepare them, and to start to exploit their potential for analyzing the economic status and performance of companies.

Course Orientation

Lectures, exercises, cases, simulation game.

Recommended texts

- Anthony, Reece & Hertenstein, Accounting: Text and Cases, Irwin
- Diamond, Stice & Stice, Financial Accounting; Reporting and Analysis, South-Western
- Sutton, Corporate Financial Accounting and Reporting, Prentice Hall

- Urías, Introducción a la contabilidad; Teoría y supuestos, Pirámide
- Plan General de Contabilidad 1991, for example edition by McGraw-Hill

Course outline

- 1 Introduction to accounting *Uses and users of accounting information; accounting information systems; accounting principles;*
- 2 Overview of financial statements *Accounting entity; balance sheet, income statement, statement of retained earnings, and cash flow statement;*
- 3 Balance sheet and income statement transactions *Assets, liabilities and equity; impact of business transactions; revenues, expenses, profit and dividends; gains and losses; accrual and matching principle;*
- 4 The recording process and accounting cycle *Accounts; journals and ledgers; debits and credits;*
- 5 Completing the accounting cycle *Trial balances; adjusting and closing entries; financial statement preparation; format of the balance sheet; format of the income statement;*
- 6 Accounting in Spain *Regulation; Plan General de Contabilidad: principios contables, cuadro de cuentas, definiciones y relaciones contables, cuentas anuales, normas de valoración.*

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GRADING POLICY

To be in a position to pass this course it is necessary to obtain a grade of at least 4.5 on the final exam. Not taking the exam or presenting any of the course requirements implies receiving 0 points for that grade component. If the grade on the final exam is less than 4.5, the overall grade will be equal to the grade on this exam. Otherwise the final grade will be the weighted average of the following components:

Participation, quizzes and homework:	15%
Report on simulation game:	30%
Final exam (or retake):	55%

The same weighting will be applied in case of a retake exam.