



INTRODUCTION TO FINANCIAL ACCOUNTING

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 and cases.

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 2007

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: marco conceptual, normas de registro y valoración, cuentas anuales, cuadro de cuentas y definiciones y relaciones contables.*

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Evaluation criteria

Regular-term and September evaluation

Participation, quizzes and homework:	15%
Assessment examination:	30%
Final exam (or retake):	55%

Important Notes

1. In the September evaluation, the grades earned during the term (participation, quizzes, homework and report on simulation game) are kept to compute the average grade of the course and, therefore, the September examination accounts for 55 % of the final grade.
2. Mid-term exam is compulsory. In case of not attendance for justified and documented reasons, its grade is accumulated to the final exam. In case of not attendance without justified or documented reasons, the grade is 0 points.
3. In case of not attendance to the final exam, both in the regular or the September evaluation, the overall grade of the course is "Not Attended".