

BUS 353E - International Financial Accounting

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Office Hours: By appointment, at our both best convenience

Course information:

Fall 2022

Tuesday and Thursday

09:00-10:20

Course Description

The course aims to provide students with the knowledge required for a general understanding of Financial Accounting Statements, comparing International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP) currently used in the United States.

Financial accounting is, broadly considered, the communication of information about a business or other type of organization so that individuals or other users of the information can make right decisions. There are several reasons why students should enroll in an Accounting Course. Accounting is often called the 'language of businesses', and deals with the interpretation of a firm's operations and finances, being a guiding force to sound management decisions, helping business to grow and flourish by allowing to make solid business decisions.

Accounting is not only important for business. An accounting background is important given the fact that it can be applied in all job posts. Moreover, people use accounting in their daily lives: when they study financial statements to make investment decisions, assess interest rates to repay their degree loans, or calculate rates for car payments. As a graduate, you might be for instance interested in determining which of the companies you are applying for have a brighter future.

Success in both business and life is usually a result of choosing wisely. Many personal and economic choices depend on the ability to understand and make proper use of financial information. You have to be familiar with it, since today's world is ruled by numbers.

Course Goals and Methodology

The main goal of this course is to understand how the information provided by financial reports, prepared using IFRS or US GAAP, affects the decision making of users such as investors, creditors or managers. International Financial Accounting will cover the basic concepts underlying financial statements. For this purpose, a general introduction to accounting principles will be first provided. International Financial Reporting Standards (IFRS) used in many countries around the world will be compared with Generally Accepted Accounting Principles (GAAP) currently used in the United States. On a practical approach, current economic, business, and global events will be linked to accounting issues. Competencies such as teamwork and ethical behavior will be developed within this course. At the completion of this course, student will have a basic knowledge of accounting terminology, being able to understand how the information provided by financial reports affects the decision making of users such as investors, creditors and managers.

The methodology of the course will be based on several different tools. Some sessions are mainly devoted to introducing basic concepts, fostering the participation of students, and solving basic practical exercises on the concepts introduced. In some other



sessions, assignments previously prepared, individually or in groups, will be solved and/or discussed, either by the instructor or by the students. Students will focus on the development of small cases that may need to apply the knowledge and techniques learned autonomously. Students are encouraged to use a Blackboard site, where the professor will post slides, lecture notes, journal articles, assignment instructions, announcements and additional resources.

Learning Objectives

On completion of this course, students should be able to:

- Master the accounting and financial language and terminology.
- Comprehend basic accounting and information disclosure characteristics.
- Describe business disclosure practices.
- Basically, interpret financial information.
- Use Information Technologies to access and review financial accounts and other corporate reports, as well as the information disclosed from several institutions and regulatory and standardization bodies.
- Have acquired basic skills for developing and preparing financial statements and other business disclosure tools.
- Demonstrate ethical, oral communication and team working skills.

Required Texts

There is no textbook required for this course. Therefore, students are not expected to purchase any material. The instructor will post the class material (Google Slides, case studies handouts, in-class worksheets, announcements, links, and any additional reading) on Blackboard, which is accessible both on campus and off campus. To log in, you need to sign in on <https://campusvirtual.upo.es> using the username and password you received in your orientation folder.

However, the contents of the course are mainly but not only based on the following texts:

- Alibhai, S. (2019). *Interpretation and application of IFRS standards 2019* (1st edition). Wiley.
- Barnes, J. (2020). *International GAAP 2020: generally accepted accounting practice under International financial reporting standards* (1st edition). Wiley.
- Hussey, R., & Ong, A. (2020). *A nontechnical guide to international accounting*. Business Expert Press.
- Introduction to International Financial Reporting Standards (2019). In Wiley Interpretation and Application of IFRS Standards (pp. 1–26). Wiley. <https://doi.org/10.1002/9781119579748.ch1>
- EY (2020). *International GAAP 2020*. John Wiley & Sons, Incorporated.
- Nobes, C., & Parker, R. (2020). *Comparative International Accounting* (14th edition). Pearson Education Limited.
- Nobes, C., & Stadler, C. (2018). Investigating international differences in financial reporting: Data problems and some proposed solutions. *The British Accounting Review*, 50(6), 602–614. <https://doi.org/10.1016/j.bar.2018.09.002>
- Robinson, T. R., Henry, E., Pirie, W., Broihahn, M., & Cope, A. (2015). *International financial statement analysis* (3rd edition). John Wiley & Sons.
- Warren, C. S., Reeve, J. M., & Duchac, J. (2017). *Financial and Managerial Accounting* (14th edition). Cengage Learning.

Course Requirements and Grading

A previous Financial Accounting course is recommended (Not compulsory).

To assure the students' efficient learning and participation in the course it is advised to handle Accounting Standards and the recommended bibliography.

During office hours, students may check homework solutions, ask questions, and discuss any other aspect of the course with the lecturer. Please take advantage of this resource. If these hours conflict with your schedule, arrange to meet with the lecturer at a time that is more convenient.

Regular attendance and class participation are expected of all students. Because the course covers a great deal of material, attending every class session is very important for performing well. In addition, students are expected to make a meaningful contribution to the class, whether by asking questions, responding to questions, or contributing in other ways to class discussion.

Please find more information about class timetable, tutorials, and class materials (slides, exercises, documentation, etc.) on the Virtual Classroom. Students are expected to use the course's Virtual Classroom (Blackboard Learn) on a regular basis.

Your final grade will be calculated according to the following system:

- 20% mid-term exam
- 20% final exam
- 40% final project
- 20% Class participation, quizzes and extra assignments

Rubric for Assessment of 20% Class participation, quizzes and extra assignments

Grade	Criteria
0%	Absent.
25%	Present, not disruptive. Tries to respond when called on but does not offer much. Demonstrates very infrequent involvement in discussion. Rarely submit assignments on due time
50%	Demonstrates adequate preparation: knows basic case or reading facts, but does not show evidence of trying to interpret or analyze them. Offers straightforward information (e.g., straight from the case or reading), without elaboration or very infrequently (perhaps once a class). Does not offer to contribute to discussion, but contributes to a moderate degree when called on. Demonstrates sporadic involvement. Often submits assignments of good quality on due time



75%	<p>Demonstrates good preparation: knows case or reading facts well, has thought through implications of them.</p> <p>Offers interpretations and analysis of case material (more than just facts) to class. Contributes well to discussion in an ongoing way: responds to other students' points, thinks through own points, questions others in a constructive way, offers and supports suggestions that may be counter to the majority opinion.</p> <p>Demonstrates consistent ongoing involvement.</p> <p>Always submits assignments (Often of good quality) on due time</p>
100%	<p>Demonstrates excellent preparation: has analyzed case exceptionally well, relating it to readings and other material (e.g., readings, course material, discussions, experiences, etc.). Offers analysis, synthesis, and evaluation of case material, e.g., puts together pieces of the discussion to develop new approaches that take the class further.</p> <p>Contributes in a very significant way to ongoing discussion: keeps analysis focused, responds very thoughtfully to other students' comments, contributes to the cooperative argument building, suggests alternative ways of approaching material and helps class analyze which approaches are appropriate, etc.</p> <p>Demonstrates ongoing very active involvement.</p> <p>Always submits assignments of good quality on due time</p>

Quizzes or similar assignments will be given to make sure that you are on track.
Quiz/presentation/exam dates will not be changed under any circumstances.

At the beginning of the course, the assignments that students will need to complete as part of the course, alongside with their deadlines, will be duly announced in the Virtual Classroom. A rubric for assessment purposes for each assignment / quiz / project will also be duly announced.

Sessions will usually start with a group meeting, sharing the doubts that have arisen in homework activities. It is key to have serious and honestly written down these doubts, which is a specific activity in the Learning Schedule.

Final Project

Students will work in groups to prepare an article summarizing the main contents of sections of unit 6, also preparing to present their work to their classmates.

The main goal is to bring students involved in the learning process of the competences and knowledge from unit 6, helping them to learn some of the main skills included in the course syllabus.

Besides, target aptitudes to be developed by the student include:

- Acquire the ability to reason critically.
- **Teamwork.**
- Develop participatory habits.
- **Develop written and oral communication skills.**
- Build IT skills.



Students will be split into several groups. The two-three students making up each group will be chosen at random by the Lecturer and announced in the Virtual Classroom. The article instructions are the same for all groups, although the instructor may ask groups to answer to different questions.

Each group will:

- **Prepare two articles**, one for each presentation, according to the instructions that the lecturer will provide, briefly showing their contents according to both IAS and US regulation (when applicable), explaining the nature and purpose of the Statements assigned, as well as it uses and limitations for decision-making purposes. The lecturer will announce in the Virtual Classroom the groups' composition as well as the topic of the article.

- Have freedom to organize their work, as they want, the only restriction being a **limited time of 8 hours of individual work by each member for the first submission and 12 hours of individual work by each member for the second one.** It is then advisable to carefully schedule all the activities to be done.

- Prepare a **job blog, detailing all activities** undergone by the group (Such as group meetings, task assignment, group organization and fulfilment of individual activities).

- Search for additional information or resources (besides the materials provided by the lecturer) and engage in any activities needed in order to properly prepare the article (only restriction being the time one).

- Prepare the **articles' presentations**, which will take place at the final sessions of the course.

Each student will also prepare a **short essay** (not more than 300 words) reflecting on what and how have they learned in this group project.

The submission's schedule will be available after the third week of the course.

Final Project Topics

Unit 6	1. Notes to the Financial Statements 3. Management Report 4. Audit Report 5. Sustainability Report 6. Corporate Governance Report
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Final Grade Expectations: The instructor will use the Spanish 10-point grading scale. The grades that will appear on your final transcript are also Spanish grades.

- Grade A/A- (9-10) — Outstanding performance showing a thorough knowledge and understanding of the topics of the course. The best possible grade.
- Grade B+/B (8-9) — Remarkable performance with general knowledge and understanding of the topics. Next highest.
- Grade B/B- (7-8) — Good performance with general knowledge and understanding of the topics. Indicates high average performance.
- Grade C+/C (6-7) — Fairly good performance showing an understanding of the course on a basic level. Indicates low average performance.

- Grade C/C- (5-6) — Passable performance showing a general and superficial understanding of the course's topics. Lowest passing grade
- Grade F (0-5) – Unsatisfactory performance in all assessed criteria. Failing grade.

Please be aware that anything below a 5 (i.e., a C- on the U.S. scale) is a failing grade. There is no pass/fail option at UPO. If you do not officially withdraw from a class by the withdrawal deadline, a failing grade will appear next to the course name. Check out the Student Handbook for the grade conversion table (some universities may use a slightly different scale).

General Course Policies

Each student is expected to be familiar with the course syllabus. Students are expected to focus their full attention on the class, arrive on time, and stay until class ends. Leaving the classroom on repeated occasions is disturbing to both your professor and your classmates and may adversely affect your participation grade. Please make use of the 10-minute breaks in between classes to fill up your water bottle, use the restroom, etc.

Students are expected to listen and respect other points of view. Phone calls, social media, email, or Internet browsing at any time during class are not acceptable during class except for specific class-related activity expressly approved by your instructor. You are responsible for all course material covered in class, announcements, and/or handouts if you are not present for any reason. Students will be held responsible to be up to date by attending to class regularly and checking both email and the Blackboard site of the course frequently (monitor your email and Blackboard announcements at least once every 24 hours).

Communicating with instructor: Please allow at least 48 hours for your instructor to respond to your emails. The weekend is not included in this timeframe. If you have an urgent request or question for your professor, be sure to send it during the week.

Attendance and Punctuality

Attendance is mandatory at all classes. As we understand that you might fall ill or be unable to come to class (e.g., due to a religious holiday, a flight delay, a family wedding/reunion, a graduation, a job interview, etc.) at some point during the semester, you are allowed up to 4 absences. You will be responsible for the material covered and any work missed. You will not need to justify your absences (up to 4) in any way unless you miss an exam, a presentation, a quiz, etc. In this case, you must present a doctor's note (signed, stamped and dated) to be able to reschedule the exam, etc. It will still count as an absence but you will be allowed to retake the exam, etc. We do not encourage you to use all 4 days unless you really need them as your participation grade may suffer if you are not in class. If used unwisely and you get sick late in the semester, the following penalties will apply:

- On your 5th absence, 1 point will be taken off of your final Spanish grade
- On your 6th absence, 3 points will be taken off of your final Spanish grade
- On your 7th absence, 5 points will be taken off of your final Spanish grade

For classes that meet once a week, each absence counts as two. For classes that meet daily, the penalties outlined above apply if you go over 6 absences (7th absence=5th

absence above). Exams missed due to an excused absence must be made up within a week of returning to classes. Talk to your professor immediately after your return.

COVID-19

Regarding any changes related to COVID-19, the procedure to follow will be in accordance to the current legislation in the region of Andalucía, Spain.

Academic Honesty

Academic integrity is a guiding principle for all academic activity at Pablo de Olavide University. Cheating on exams and plagiarism (which includes copying from the Internet) are clear violations of academic honesty. A student is guilty of plagiarism when he or she presents another person's intellectual property as his or her own. The penalty for plagiarism and cheating is a failing grade for the assignment/exam and a failing grade for the course. The International Center may also report this to your home university. Avoid plagiarism by citing sources properly, using footnotes and a bibliography, and not cutting and pasting information from various websites when writing assignments.

Learning Accommodations

If you require special accommodations, or have any other medical condition you deem may affect your class performance, you must stop by the International Center to speak to the Faculty Coordinator to either turn in your documentation or to confirm that our office has received it. The deadline is September 30th. The Faculty Coordinator will explain the options available to you.

Behavior Policy

Students are expected to show integrity and act in a professional and respectful manner at all times. A student's attitude in class may influence his/her participation grade. The professor has a right to ask a student to leave the classroom if the student is unruly or appears intoxicated. If a student is asked to leave the classroom, that day will count as an absence regardless of how long the student has been in class.

Course contents

Unit 1: Communicating accounting information.

Unit 2: Balance Sheet.

Unit 3: Income Statement.

Unit 4: Cash Flow Statement.

Unit 5: Statement of Changes in Equity.

Unit 6: Other statements.



Class Schedule

Tuesday		Thursday	
Sep, 13	Presentation and Quiz	Sep, 15	Quiz review
Sep, 20	Unit 1	Sep, 22	Unit 1
Sep, 27	Unit 1	Sep, 29	Unit 1
Oct, 4	Unit 2	Oct, 6	Unit 2
Oct, 11	Unit 2	Oct, 13	Unit 2
Oct, 18	Unit 3	Oct, 20	Unit 3
Oct, 25	Unit 3	Oct, 27	Mid-term exam
Nov, 1	Bank Holiday	Nov, 3	Unit 4
Nov, 8	Unit 4	Nov, 10	Unit 4
Nov, 15	Unit 5	Nov, 17	Unit 5
Nov, 22	Questions for project	Nov, 24	Final project presentations - 1 st round
Nov, 29	Unit 5	Dec, 1	Unit 6
Dec, 6	Bank Holiday	Dec, 8	Bank Holiday
Dec, 13	Final project presentations - 2 nd round	-	-
Dec, 15 – Dec, 20 Final Exams (4 days total)			

Holidays: Tuesday, November 1: Bank holiday. National Day of Spain. No classes will be held. Tuesday, December 6: Bank holiday. Constitution Day. No classes will be held. Thursday, December 8: Bank holiday. Immaculate Day. No classes will be held. Two sessions will be rescheduled in the earliest possible alternative class.