



**DEGREE IN FINANCE AND ACCOUNTING**

**DEPARTMENT OF ACCOUNTING AND FINANCIAL ECONOMICS**

**FUNDAMENTALS OF ACCOUNTING**

**COURSE SYLLABUS**

**ACADEMIC YEAR 2016/2017**

**Faculties:**

Dr. Francisco Bravo Urquiza

## OBJECTIVES OF THE COURSE

A significant number of graduates in Finance and Accounting work in contact with accounting information. Their work often involves the preparation of financial statements and tax forms by small and medium size companies.

The main objective of the course *Fundamentals of Accounting* is to help students understand fundamental accounting concepts and principles, as well as to develop the capability to perform the basic accounting functions: the recognition, valuation, measurement and recording of the most common business transactions and the preparation of accounting statements.

The course deals with the “*Fundamental Issues in Accounting*” and comprises addresses the following eight issues:

ISSUES	OBJECTIVES
1. INTRODUCTION TO ACCOUNTING. 2. ASSETS, LIABILITIES AND EQUITY: THE ACCOUNTING EQUATION. 3. THE RECOGNITION OF ACCOUNTING TRANSACTIONS. ACCOUNTS AND THE ACCOUNTING BOOKS. 4. CALCULATING ACCOUNTING EARNINGS. 5: ACCOUNTING FOR INVENTORIES. 6. THE ACCOUNTING CYCLE	(I) To introduce students to Accounting, stressing its importance in today’s business world.  (II) To help students understand the main concepts and principles of Accounting.  (III) To provide students with a theoretical basis upon which they will develop their knowledge in other areas of accounting.

The total teaching load of this compulsory course is 6 credit-hours.

# COURSE CONTENTS

## 1. ACCOUNTING AS AN INFORMATION SYSTEM.

- 1.1. Business activity: companies.
- 1.2. Concept and classification of accounting.
- 1.3. Users of accounting information.
- 1.4. Requirements of accounting.

## 2. ASSETS, LIABILITIES AND EQUITY: THE ACCOUNTING EQUATION.

- 2.1. Definition of Balance Sheet.
- 2.2. Components of Balance Sheets: assets, liabilities and equity.
- 2.3. Assets.
- 2.4. Liabilities and stockholders equity.

## 3. ACCOUNTING INSTRUMENTS.

- 3.1. Business transactions.
- 3.2. Companies' wealth.
- 3.3. The Accounting Equation.
- 3.4. Accounting tools.
  - 3.4.1. The account.
  - 3.4.2. The Double-Entry System.
  - 3.4.3. The accounting books.
- 3.5. The annual accounts.

## 4. CALCULATING ACCOUNTING EARNINGS.

- 4.1. The concept of earnings.
- 4.2. Business transactions, fund flows and cash flows.
- 4.3. Revenues, expenses, gains and losses.
- 4.4. Accounting for revenues and expenses.
- 4.5. Components of the Income Statement.

## 5. ACCOUNTING FOR INVENTORIES.

- 5.1. *Administrative* approach.
- 5.2. *Multiple-account* approach.

## 6. THE ACCOUNTING CYCLE.

- 6.1. Phases in the accounting cycle.
- 6.2. The output of the accounting function: the Annual Accounts.

## COURSE MATERIALS AND USEFUL REFERENCES

### BASIC MATERIALS

- Cases prepared by the faculty of the Department of Accounting and Financial Economics of the University of Seville.
- Arquero Montaña, J.L., Jiménez Cardoso, S.M. & Ruiz Albert, I. (2008): Introducción a la contabilidad financiera, Pirámide, Madrid.

### ADDITIONAL MATERIALS

- Gallego Diez, E. & Vara yVara, M. (2007): Manual práctico de Contabilidad financiera (Pirámide: Madrid).
- Larrán, Jorge M. et al (2009): Fundamentos de Contabilidad financiera. Teoría y práctica (Pirámide: Madrid).

## COURSE RULES AND PROCEDURES

### CLASS ATTENDANCE

Students are encouraged to attend classes regularly. Attendance and punctuality are considered a requirement in the classroom. Coming in late or leaving early disrupts the class and exhibits disrespectful and unprofessional behavior to the instructor and fellow classmates. Therefore, such type of behavior should be avoided to the extent possible.

During the year, professors will make several quiz tests to assess students' performance.

### FACULTY CONTACT INFORMATION AND OFFICE HOURS

<b>Professor</b>	<b>Office Hours.</b>	<b>Room.</b>
Dr. Francisco Bravo Urquiza pacobravo@us.es	Tuesdays (13:30-14:30); Wednesdays (11.30-14.30); Fridays (9.30-11.30)	13, 2nd floor, FCEYE

Any change in faculty office hours will be communicated in class and posted according to the procedures commonly followed by the Department of Accounting and Financial Economics.

### EVALUATION SYSTEM AND CRITERIA

Students must obtain a passing grade (5 or higher) in the final exam in order to pass the course. Students with less than 35 credits remaining to graduate will have the right to take an extraordinary exam in February if they apply for it.

A note will be posted a week before each exam in the notice board of the Facultad de Turismo y Finanzas, providing the students with useful information on (i) the structure of the exam, (ii) the valuation criteria adopted and, (iii) the rooms in which it will take place. Regardless of the value attached to theory and practice, **students will not pass the exam if they make two or more fundamental errors.** By such, we consider failure to (i) identify the financial statements, (ii) classify elements of the financial statements as assets, equity, liabilities, revenues and expenses. In that case, the

maximum final grade would be 3,5. When grading the exams, quizzes and other elements of students' performance assessment, professors will take into consideration clarity, coherency, spelling, legibility and cleanliness.

The Department of Accounting and Financial Economics has implemented strict control mechanisms to avoid unethical behaviour. Students will be required to show their ID cards before entering the room to take an exam. Questions related to the interpretation of the text or questions of the exam will be taken by professors within the ten minutes following the disclosure of the written tests. No questions will be taken thereafter.

It is considered that students attend a final exam as soon as they receive the papers on which the test is printed. We strongly recommend that this is kept in mind by all students.

Values are essential in today's business world. Truthfulness, loyalty, honesty, integrity and professionalism are among the most fundamental values a business graduate should have to develop a successful career. We require students to show an ethical behaviour at all times.

Intentionally using or attempting to use unauthorized materials, information, notes, study aids or other devices in any academic exercise will result in severe sanctions. This will also apply to situations in which a student intends to help another student commit an act of academic dishonesty.

### **EXAM REVIEW**

According to the Statutes of the University of Seville, students have the right to review their exams, quiz tests and any other assignment used to assess their performance. Thus, within the four days following the disclosure of grades, professors will be available to discuss them with those students interested or who might have a complaint.

After the exam review process, grades will become officially accepted and will be posted by the Secretary of the School. It is the students' responsibility to make sure that no error or omission exists in the grades posted.

### **EXAMS CUSTODY**

In compliance with the regulation of the University of Seville, the Department of Accounting and Financial Economics will keep half-term exams four months and final and extraordinary exams eight months. Students are recommended to ensure the accuracy of their grades before the corresponding deadlines, as it will not be possible to correct any omission or error thereafter.

**Seville, September 2016**