

**Syllabus “INTRODUCTION TO ACCOUNTING”**

**2014/2015**

Code: **102366**

ECTS: 6

Degree	Year	Semester
Grade in Business Administration	1	2

**Contact**

Name (coordinator): Diego Prior Jiménez

E-mail: diego.prior@uab.cat

**Language**

English

**Prerequisites**

This course has no prior requirements.

**Objectives**

The course of Introduction to Accounting is the first one that students attend from the Accounting area. This course gives the conceptual basis for the development of all accounting education in the degree and allows to attend other subjects such as Financial Statement Analysis, Financial Accounting or Consolidation of financial statements just to name a few.

The main aims of this first course are:

1. To familiarize students with the accounting framework, general accounting principles and accounting regulation
2. To understand what are the main accounting elements: assets, liabilities, income, expense and equity
3. To familiarize them with the annual accounts, the balance sheet and the income statement
4. To understand the accounting cycle and learn how to both start it and close it at the end of the year
5. To learn how to elaborate the balance sheet and the income statement.

This initial course will continue with the Analysis of Financial statements where the participants, once they are able to elaborate the main financial statements of a company, will learn to analyze them and to make decisions based on them.

**Competence**

1. To be able to incorporate the knowledge acquired to identify the elements of the accounting process
2. To identify possible improvements in the process
3. To generate and transmit the necessary information for the decision making process
4. Ability to communicate orally and in writing in English
5. To organize work, in terms of good time management
6. Being proactive and be able to work autonomously when required
7. To make use of new technologies and be able to adapt to new technological environments
8. To learn to appreciate the incorporation of ethics in the professional practice
9. To show motivation for work and sensibility for consequence towards the environment and society.

**Learning outcome**

1. To assess the usefulness of accounting to potential users
2. To identify the main economic transactions in the company's cycle and the flows that result from these transactions following accounting regulation
3. To develop the annual accounts
4. To incorporate the general accounting principles
5. To show an ethical attitude all along the accounting process
6. To summarize accounting information and to present it through annual accounts
7. To learn to appreciate the incorporation of ethics in the professional practice

8. To be proactive and to be able to work autonomously when required
9. To communicate orally and in writing in English.

## **Contents**

### **Topic 1: Accounting and information systems**

- Accounting Concept.
- Users of Accounting Information.
- Classification of Accounting.
- Stages in the Accounting Cycle.
- The Financial Statements.
- Limitation of Accounting Data.
- Requirements for Accounting Information.

### **Topic 2: The Accounting Equation**

- The Accounting Equation.
- The Balance Sheet.
- The Profit and Loss Account.
- The Statement of Retained Earnings.
- The Statement of Cash Flows.
- Analysis of Business Transactions.

### **Topic 3: The Recording Process**

- The Account as an Accounting Instrument.
- Classification of Accounts.
- The Recording Process.
- The Journal and the Ledger.
- Journal Entries.

### **Topic 4: The Accounting Cycle**

- Accounting Principles.
- The Accounting Cycle.
  - Opening Stage.
  - Development Stage.
  - Adjustment Stage (Deferrals, Accruals, Depreciation).
  - Closing Stage.

### **Topic 5: Inventories**

- Types of Inventories.
- Inventory Costing Methods.
- Accounting for Inventories.
  - Permanent and Periodic Inventory System.
    - Purchases and Sales.
    - Purchase and Sales Returns.
    - Purchase and Sales Allowances.
    - Quantity Discounts.
    - Discounts for Prompt Payments.
    - Cost of Goods Sold.
    - Gross Margin (also: Gross Profit).

### **Topic 6: Accounting for Basic Transactions**

- Advances.
- Accounts Receivable.
  - Accounting for Notes Receivable.
  - Doubtful Customers.
- Long-Term Liabilities.
- Expenses for Personnel.
- Noncurrent Assets and Depreciation.
- Selling an Asset.
- Impairment.

- Inventory Shrinkage.

## Teaching Methodology

To achieve the objectives of the course, the following taxonomy of activities will be used:

### 1. Theory classes where teachers develop the main concepts (30 hours)

The objective of this activity is to present the fundamental concepts of the course and to facilitate their learning through the analysis of examples illustrating the main issues of the different topics analysed.

### 2. Exercises sessions devoted to the resolution of practical exercises (20 hours)

This activity aims to discuss and answer any questions that students may have in solving the problem sets, and at the same time to correct mistakes. These sessions will also stimulate the participation of students presenting the solutions of the problem sets either orally or in written form.

### 3. Tutorial attendance (5 hours)

Students have several hours where the teachers of the course may help them to resolve any doubts that may arise in the study of the course and in the solution of the problem sets.

### 4. Autonomous working (90 hours)

Students work on their own studying the main concepts and solving the exercises proposed in the class.

## Learning activities

Title (type activity)	Hours	ECTS	Learning outcome
<b>Type: Directed</b>			
Theoretical classes	30hs	1,2	1,2,5,7,8,9
Practical classes	15hs	0,6	2,3,4,5,6,8,9
<b>Type: Supervised</b>			
Tutorships	9hs	0,18	8,9
<b>Type: Self learning</b>			
Autonomous work	87,5hs	3,6	1,2,3,4,5,6,7,8,9

## Assessment criteria

The evaluation will take place under the following criteria:

- 10% of the final mark will correspond to class participation;
- 45% of the final mark will correspond to the mean of two individual theoretical tests that will take place along the course;
- 45% of the final mark will correspond to an individual practical exam that will take place at the end of the course.

A minimum of 3,5 points is needed both in the theoretical part and in the practical one to be able to pass the course.

A minimum of 5 out of 10 in the final mark is necessary to pass the course.

Students with a final mark between 4 and 5 will have the possibility to repeat the final exam (both theoretical and practical), which will take place by the end of June or first weeks of July. If the student passes this exam, the final mark of the course will be of 5.

## Assesment activities

Title	Weight	Hours	ECTS	Learning outcome
Comprehensive Final Examination	45%	2	0,08	1,2,3,4,6,9
2 mid-term tests	45%	2	0,08	1,2,3,4,6,9
Attendance, participation, exercises and monitoring	10%	2	0,08	1,2,3,4,5,6,7,8,9

### **Bibliography**

- 2009. Horgren, Sundem, Elliot and Philbrick. Introduction to Financial Accounting. McGraw-Hill.