

BUS 353E - International Financial Accounting

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Office Hours: By appointment.

Course information:

Spring 2024
Monday and
Wednesday
16:00 – 17:20

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 the right decisions. There are different 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 making sound management decisions, helping business grow and succeed by allowing business to make sound decision-making financial strategies.

Accounting is not only important for business. An accounting background is important as it can be applied in all professional settings. Moreover, people use accounting in their daily lives: When studying financial statements to make investment decisions, assess interest rates to repay their degree loans, or calculate rates for car payments. As a student graduate, this information may prove useful in determining which companies have a brighter future.

Success in both business and life is usually a result of choosing wisely. Personal and economic choices depend on the ability to understand and make proper use of financial information. You must 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 International Financial Reporting Standards (IFRS) or US Generally Accepted Accounting Principles (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 provided. The IFRS, used in many countries around the world, will be compared with the GAAP, currently used in the United States. From 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, students will have 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 at an international scale.

The methodology of the course will be based on several different tools. Some sessions are 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 Blackboard, where the instructor 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 accounting and financial language and terminology.
- Comprehend basic accounting and information disclosure characteristics.
- Describe business disclosure practices.
- 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 Materials/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 (presentations, 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>

Course Requirements and Grading

A previous Financial Accounting course is recommended (not mandatory).

To ensure efficient learning and participation in the course, it is advised to have a basic knowledge of accounting standards and review the recommended bibliography.

During office hours, students may check homework solutions, ask questions, and discuss any other aspect of the course with the instructor. Please take advantage of this resource. If these hours conflict with your schedule, arrange to meet with the instructor 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 to ensure successful class completion. 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:

30% Tests	Tests after each module to assess understanding of concepts (5% each quiz, total 6 quizzes)
20% Final Exam	Final exam covering the course content from all modules
30% Final Project	Group project to analyze and prepare financial statements for international companies
20% Class participation and extra assignments	Participation in class discussions and engagement in group activities, to include case studies and practical exercises to apply IFRS principles to real-world scenarios

Rubric for Assessment of 20% Class participation and extra assignments:

	Excellent (4)	Good (3)	Satisfactory (2)	Needs Improvement (1)	Unsatisfactory (0)
Engagement and Initiative	Student consistently takes the lead in initiating and actively participating in discussions, case studies, and group activities. They demonstrate a high level of enthusiasm and engagement throughout the class.	Student actively participates in discussions, case studies, and group activities, showing interest in the topics. They contribute valuable insights but may not consistently take the lead in initiating discussions.	Student participates in discussions, case studies, and group activities, but may need occasional prompting to engage actively. They contribute insights, but participation is not consistent.	Student shows limited engagement and rarely initiates discussions or actively participates in group activities. Their contributions are minimal and do not add significant value to the class.	Student shows no engagement or participation in discussions, case studies, or group activities.
Preparation and Contribution	Student consistently comes to class well-prepared, having thoroughly reviewed assigned materials and actively contributes meaningful input to discussions, case studies, and group work.	Student generally comes prepared to class and contributes insightful ideas to discussions, case studies, and group work, but occasional lapses in preparation are observed.	Student is adequately prepared most of the time and provides some input to discussions, case studies, and group activities, but may not consistently demonstrate in-depth knowledge.	Student often appears unprepared for class and contributes limited input to discussions, case studies, and group activities. Their lack of preparation is noticeable.	Student is consistently unprepared for class and does not contribute to discussions, case studies, or group work.
Respect for Others' Perspectives	Student actively listens to others, shows respect for diverse viewpoints, and encourages a positive and inclusive environment in discussions, case studies, and group work.	Student listens to others' perspectives and respects differing viewpoints but may occasionally exhibit slight lapses in showing respect or inclusivity.	Student generally respects others' perspectives but may at times demonstrate a lack of respect for diverse viewpoints or fail to create an inclusive environment.	Student occasionally shows disregard for others' perspectives and may not consistently foster a positive or inclusive environment in discussions, case studies, or group work.	Student consistently disregards others' perspectives and fails to demonstrate respect or inclusivity in discussions, case studies, and group engagement.



Critical Thinking and Analysis	Student consistently demonstrates critical thinking skills, offering thoughtful analysis and well-reasoned arguments during discussions, case studies, and group activities.	Student generally demonstrates critical thinking skills and provides reasoned analysis in discussions, case studies, and group work, but occasional gaps in depth of analysis are observed.	Student's critical thinking skills are satisfactory, but their analysis may lack depth or thoroughness in some instances.	Student's critical thinking skills need improvement, as their analysis is often shallow or lacks coherence in discussions, case studies, or group activities.	Student shows no evidence of critical thinking or analysis in discussions, case studies, or group work.
Collaboration and Teamwork	Student consistently collaborates effectively with others, actively participating in group activities, and contributing to achieving the team's goals.	Student generally collaborates well with others and actively contributes to group activities, but occasional lapses in teamwork may be observed.	Student's collaboration and teamwork are satisfactory but may require occasional reminders to actively participate and contribute.	Student's collaboration and teamwork need improvement, as they may not consistently contribute effectively or cooperate with others.	Student does not participate in group activities and fails to contribute to the team's goals.

End-of-module quizzes and in-class exercises will be given to make sure that you are on track. Quizzes, final presentation, and final exam dates will not be changed under any circumstances.

At the beginning of the course, all assignments with deadlines will be posted in the Virtual Classroom. A rubric for assessment purposes for each assignment / final project will also be available with each assignment.

Final Project

Students will work in groups to prepare two case studies (details below). These will be presented in class.

The main goal is to bring students involved in the learning process of the competences and knowledge of international financial reporting, helping them learn the main skills included in the course syllabus.

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 instructor and announced in the Virtual Classroom. The case study scenarios will be different for each group.

Each group will:

1. Prepare **two case studies with financial reports**, one for each presentation. The instructor will announce in the Virtual Classroom the groups' composition as well as the topic of the article.
2. 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 each case study. It is then advisable to carefully schedule all the activities to be done.
3. Prepare a **job blog, detailing all activities undergone by the group** (Such as group meetings, task assignment, group organization and fulfilment of individual activities).

Students will use [Blogger](#) and make the link and a QR code available at the end of the presentations.

4. Search for additional information or resources (besides the materials provided by the instructor) and engage in any activities needed in order to properly prepare the case study and financial reports.
5. Prepare the **final presentations**, which will take place at the final sessions of the course.
6. Each student will also prepare a **short essay** (not more than 300 words) reflecting on what they have learned in this group project.

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

Final Project Topics

Prepare two case studies with financial reports, demonstrating understanding of the content according to both IAS and US regulation (when applicable), explaining the nature and purpose of different required statements (balance sheet, income statement, cash flows, changes in equity, etc.), revenue recognition and expense reporting, foreign currency translations, and uses and limitations for decision-making purposes.

Specific Case Study scenarios will be posted on Blackboard (Aircraft Manufacturing, Global Retail, IT Services, Automotive Industry, Sports).

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) — Passing 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 to 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 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 your final Spanish grade.
- On your 6th absence, 3 points will be taken off your final Spanish grade.
- On your 7th absence, **you will automatically fail the course.**

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.

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 and 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/pasting information from 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 29th. 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. 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 Content

Unit 1: Communicating Accounting Information

- Understand the importance of effective communication in international accounting.

- Explain the role of accounting standards and regulations in ensuring transparent financial reporting.
- Compare the International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP)
- Understand the role of the International Accounting Standards Board (IASB)
- Analyze the ethical considerations in financial reporting and disclosure.

Unit 2: Balance Sheet

- Define and describe the components of a balance sheet under both GAAP and IFRS.
- Differentiate between GAAP and IFRS treatment of assets, liabilities, and equity.
- Analyze a balance sheet prepared under GAAP and IFRS to assess a company's financial position.
- Presentation and disclosure requirements under IFRS
- Comprehensive case studies on financial statement preparation

Unit 3: Income Statement

- Explain the purpose and structure of an income statement under both GAAP and IFRS.
- Identify and classify various types of income and expenses under GAAP and IFRS.
- Compare and contrast income statements prepared under GAAP and IFRS and analyze their implications.
- Presentation and disclosure requirements under IFRS
- Comprehensive case studies on financial statement preparation

Unit 4: Cash Flow Statement

- Understand the objectives of a cash flow statement under both GAAP and IFRS.
- Analyze the three sections of a cash flow statement: operating, investing, and financing activities, under both standards.
- Evaluate a company's liquidity and cash management through cash flow analysis under GAAP and IFRS.
- Presentation and disclosure requirements under IFRS
- Comprehensive case studies on financial statement preparation

Unit 5: Statement of Changes in Equity

- Describe the components of the statement of changes in equity under both GAAP and IFRS.
- Explain the effects of various transactions on shareholders' equity under both standards.
- Analyze changes in equity over time under GAAP and IFRS and their implications for investors.
- Presentation and disclosure requirements under IFRS
- Comprehensive case studies on financial statement preparation

Unit 6: Other Statements

- Explore other financial statements and reports used in international accounting, such as consolidation of financial statements, joint arrangements and foreign currency translation.
- Understand the similarities and differences in the treatment of these statements under GAAP and IFRS.
- Discuss the ongoing convergence efforts between GAAP and IFRS and their impact on financial reporting.



Class Schedule

Monday	Class Content	Wed	Class Content
		Jan, 24	Presentation and Assessment Quiz. Academic / IT Skills Overview: Blogger, PowerPoint and APA formatting
Jan, 29	Module 1	Jan, 31	Module 1 In-class Exercise – Group Project Companies and Background Reports
Feb, 5	Module 1 Quiz 1	Feb, 7	Module 2
Feb, 12	Module 2 In-class Exercise - Balance Sheet	Feb, 14	Module 2 Quiz 2
Feb, 19	Module 3	Feb, 21	Module 3
Feb, 26	** NO CLASS	Feb, 28	**HOLIDAY. NO CLASS
Mar, 4	Module 3 In-class Exercise - Income Statements	Mar, 6	Module 3 Quiz 3
Mar, 11	Module 4	Mar, 13	Module 4 In-class Exercise – Cash Flow Analysis
Mar, 18	Module 4 In-class Exercise – Cash Flow Analysis	Mar, 20	Module 4 Quiz 4
Mar, 25	**HOLIDAY. NO CLASS	Mar, 27bb	**HOLIDAY. NO CLASS
Apr, 1	Module 5	Apr, 3	Module 5 In-class Exercise – Changes in Equity
Apr, 8	Module 5 Quiz 5	Apr, 10	In-Class Group Project Questions and Refinement
Apr, 15	**HOLIDAY. NO CLASS	Apr, 17	**HOLIDAY. NO CLASS
Apr, 22	Module 6	Apr, 24	Module 6 In-class Exercise - Consolidation of financial statements and Foreign currency translation
Apr, 29	Module 6 Quiz 6	May, 1	**HOLIDAY. NO CLASS
May, 6	Final Project - Presentations	May, 8	Final Project - Presentations
May, 13 – May, 16 Final Exams (4 days total)			

****Note:** One session will be rescheduled at the earliest possible alternative class.