

BUS 353E - International Financial Accounting

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.
- 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 Engagement	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:

Criteria	Exemplary (9-10)	Proficient (7-8)	Passing (5-6)	Poor (0-4)
Attendance	Arrives on time and stays for the entire duration of class. No absences, or if absent once, demonstrates knowledge of course material missed.	Misses no more than two sessions or is occasionally late. Demonstrates knowledge of course material missed.	Misses 3 or 4 sessions or frequently arrives late/leaves early; exhibits little knowledge/interest regarding course material missed.	Misses 5 or more sessions and does not demonstrate knowledge of course material missed.
Preparation	Consistently well-prepared; demonstrates deep understanding of readings and completes assignments.	Usually prepared; completes readings with some understanding and usually completes assignments.	Occasionally prepared. Demonstrates limited understanding of materials and occasionally completes assignments.	Rarely prepared; minimal effort to engage with course materials.
Participation	Actively participates in discussions with thoughtful comments/questions; demonstrates knowledge of the material and critical thinking skills.	Participates often demonstrating knowledge of material and critical thinking skills.	Participates once in a while or contributions lack depth or relevance.	Does not participate or is disruptive during discussions.
Attentiveness & Respect	Fully engaged and attentive during all sessions; respectful to professor and fellow students. Use of laptop/tablet for notetaking only; no cellphone use.	Generally attentive, with very infrequent lapses in focus and use of electronic devices for non-class related purposes. Respectful to professor and fellow students.	Occasionally inattentive or disengaged. Use of electronic devices for non-class related purposes thus showing disrespect towards professor and fellow students.	Rarely attentive, focused or responsive. Repeated use of electronic devices for non-class related purposes thus showing disrespect towards professor and fellow students.
Collaboration & Feedback	Effectively collaborates with peers in group or in-class activities following professor's instructions. Incorporates feedback to improve learning & performance.	Collaborates frequently with peers or in in-class activities. Incorporates feedback and makes moderate efforts to improve learning & performance.	Occasionally works well with peers but does not contribute substantially to in-class or group assignments. Responds to feedback inconsistently with minimal improvement.	Does not collaborate with peers, does not complete in-class or group assignments. Ignores feedback.

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 a 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 a case study with financial reports.** The instructor will announce in the Virtual Classroom the groups' composition as well as the topic of the project.
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 the 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 a case study 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, etc).

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.

Student Engagement Policy

Student's engagement will account for at least 20% of the final grade for every course, thus highlighting its significance for high-impact learning. Students will receive two engagement grades: a mid-term grade (at least 10%) and an end-of-semester grade (at least 10%). An engagement rubric is provided to ensure transparent and consistent grading.

Absences and lack of engagement

Absences during the add/drop period do not count against students' engagement grade, but may impact their performance in the course. As a consistent lack of academic engagement may raise concerns about a student's overall academic performance, the following steps will be taken in order to support students' success:

Initial outreach – after missing 3 classes.

E-mail from professor reiterating engagement policy and consequences for additional absences.

Second outreach – after missing 4 classes.

E-mail from professor and notification of academic staff at the International office.

Academic probation – after missing 6 classes.

Student is called in for a meeting with academic staff at the International office. Automatic notification of home institution and further academic consequences.

Any additional absences will result in a failing grade.

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.

About using Artificial Intelligence (AI)

The use of AI tools such as grammar checkers, ChatGPT, etc. and automatic translation tools is prohibited unless expressly permitted by the instructor to enhance the students' learning experience. Plagiarism includes, but is not limited to, the unacknowledged use of these tools to create content submitted as one's own. If the use of any of these tools is suspected, the instructor may request notes and other materials used in preparing assignments. Students must retain these materials until final grades are posted. Failure to produce these materials when requested may negatively impact the student's grades.

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 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.