

Course: International Accounting

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Introduction

All businesses are directly or indirectly impacted by accounting as the main source of information to make decisions. It is essential to understand the main concepts of accounting in order to wisely use this information and understand its impact on operations. This course will give you an international perspective of the theory and practice of accounting. It focuses particularly on the global harmonisation of accounting standards, the aim of accounting information and the economic consequences of accounting figures on wealth of different stakeholders. You'll gain an insight into the issues facing preparers and users of accounting information in our globalised reporting environment.

Objectives. This course has two main objectives

At the end of the training, participants will be able to:

1. Identify the basic principles of accounting and the main valuation principles under the international accounting rules applied in the European Union and understand the meaning of the primary financial statements of a company.
2. Relate accounting information and the main theories on stakeholders behaviour in order to see accounting as a tool to reduce market information asymmetries and avoid moral hazard problems as well as the incentives to use accounting to affect contracts
3. Understand the term "accounting" in its wider meaning, including financial and non-financial information and its relation with other areas of business

Content

1. The users and objective of accounting information

- 1.1. The role of accounting information
- 1.2. The role of the enforcers: auditors and regulators
- 1.3. Market participants (shareholders versus debtholders and lenders)
- 1.4. Internal users: managers
- 1.5. Management accounting versus financial accounting
- 1.6. Accounting regulation in the EU and the aim of comparability

2. Financial Statements

- 2.1. Balance Sheet.
- 2.2. Income Statement
- 2.3 Other comprehensive income

- 2.4 Notes
- 2.5. Non financial-disclosure
- 2.6. Group accounts: the meaning of consolidation

3. The major accounting policies/conventions

- 3.1. Recognition and measurement
- 3.2. Fair value versus cost
- 3.3. Some special cases: leasing, revenue recognition and financial instruments

4. The Agency and Contracting Theory and accounting

- 4.1. Earnings management: concept and incentives
- 4.2. The economic consequences of accounting numbers
- 4.3. Accounting as a political and economic tool
- 4.4. The challenges of accounting information: social responsibility, corporate governance, ethics and sustainability

Methodology

There will be master classes where the main concepts and techniques will be explained. There will be also analysis of articles (academic and newspapers) and case studies where critical thinking will be developed.

Assesment will be done with class dissertation on an specific topic plus a test