

Academic Year: ( 2020 / 2021 )

Review date: 14-03-2020

Department assigned to the subject:

Coordinating teacher: GARCIA LARA, JUAN MANUEL

Type: Electives ECTS Credits : 3.0

Year : 1 Semester : 2

**STUDENTS ARE EXPECTED TO HAVE COMPLETED**

Financial Accounting IFRS I (or equivalent)  
 Financial Statements Analysis (or equivalent)

This subject is elective but acquires mandatory character for those students who want to obtain ICAC accreditation.

**COMPETENCES AND SKILLS THAT WILL BE ACQUIRED AND LEARNING RESULTS.**

## Basic competences

CB6 Having and understanding the knowledge that provides a basis or opportunity to be original in the development and/or application of ideas, often in a research context

CB7 Students know how to apply their acquired knowledge and problem-solving skills in new or unfamiliar settings within broader (or multidisciplinary) contexts related to their field of study.

CB8 Students are able to integrate knowledge and to face the complexity of making judgments based on information that, being incomplete or limited, includes reflections on the social and ethical responsibilities linked to the application of their knowledge and judgments.

CB9 Students know how to communicate their conclusions and the knowledge and ultimate reasons behind them to specialised and non-specialised audiences in a clear and unambiguous way.

CB10 Students have the learning skills that will enable them to continue studying in a way that will be largely self-directed or autonomous.

## General competences

CG1 Ability to maintain continuous education after his/her graduation, enabling him/her to cope with new technologies.

CG2 Ability to apply the knowledge of skills and research methods related to engineering.

CG3 Ability to apply the knowledge of research skills and methods related to Life Sciences.

CG4 Ability to contribute to the widening of the frontiers of knowledge through an original research, part of which merits publication referenced at an international level.

CG5 Ability to perform a critical analysis and an evaluation and synthesis of new and complex ideas.

CG6 Ability to communicate with the academic and scientific community and with society in general about their fields of knowledge in the modes and languages commonly used in their international scientific community.

CG7 Ability to diagnose potentially complex real problems by integrating and applying knowledge of different subjects

CG8 Acquire the ability to direct the search and learning of any new situation autonomously.

CG9 Ability to work in changing areas and anticipate new situations.

## Specific competences

CE1 Ability to handle and apply the rules of recognition and valuation of International Financial Reporting Standards (IFRS) to different complex operations.

CE2 Ability to know the impact of the different legislations that affect mercantile companies on the annual accounts, audit report and other voluntary information to disclose.

CE5 Ability to apply tax legislation and identify the implications that differences between such legislation and accounting legislation generate on the financial statements (for example, recognition of deferred tax assets and liabilities).

CE9 Ability to apply advanced techniques to determine the value of a company based on its accounting information, systematic risk and atypical projects, as well as to perform a correct and detailed financial planning in different and uncertain scenarios.

CE12 Acquire the ability to know the impact of different accounting practices on the different financial

statements of a business organization.

CE15 Ability to implement measures that guarantee the independence of the auditor through the development of values and ethical commitment.

CE19 Acquire the skills to understand the economic and social effects of changes in accounting regulations, and the process of setting accounting standards, the different actors involved, and their ability to influence regulatory bodies.

#### DESCRIPTION OF CONTENTS: PROGRAMME

Subject: Politics and Economics of Accounting

1. The role of financial reporting in the economic system: Information asymmetries and agency problems
2. Positive vs normative accounting theory: the role of accounting research
3. The regulation (political economy) of financial reporting
4. Effects of changes in regulations and accounting standards
5. Accounting in a context of efficient markets
6. Positive accounting theory: incentives and effects of accounting choices
7. Firm level assessment of the suitability of accounting policies

#### LEARNING ACTIVITIES AND METHODOLOGY

The course includes lecture-type sessions led by the faculty member in charge, who will also offer the corresponding consultation sessions. It will also include group work (both in and off the class-room), individual workload with individual assessed tasks during class hours, and a final exam.

#### ASSESSMENT SYSTEM

- 5% Class participation
- 10% Group work in class
- 10% Group work on academic papers
- 25% Intermediate individual assessment
- 50% Final exam

**% end-of-term-examination:** 50

**% of continuous assessment (assignments, laboratory, practicals...):** 50

#### BASIC BIBLIOGRAPHY

- William R. Scott Financial Accounting Theory, Prentice Hall.