# Accounting for financial instruments

**Academic Year: ( 2022 / 2023 )** **Review date: 01-04-2022**

**Department assigned to the subject: Business Administration Department**

**Coordinating teacher: GARCIA LARA, JUAN MANUEL**

**Type: Electives ECTS Credits : 6.0**

**Year : Semester :**

## OBJECTIVES

Knowledge:
- to analyze in detail several complex transactions which are of great relevance for organizations, related to both financial assets and liabilities and hedge operations.
- to get a deep knowledge of the impact those transactions have on financial statements
- to understand the impact accounting practice has on the wealth and revenues generated by a company

Skills:
- to develop the capacity to learn in an autonomous way, focusing especially on accuracy.
- work in teams and interaction with experts of other areas
- capacity to integrate knowledge acquired in other topics (especially Derivatives and Derivatives and Bonds)
- interpretation of a series of complex transactions

## DESCRIPTION OF CONTENTS: PROGRAMME

- Financial Instruments: definition and classification
- Accounting Regulation affecting financial instruments (IASB and Spanish Regulation)
- Financial assets and liabilities: recognition and valuation
- Financial derivatives: recognition and valuation
- Accounting for transactions with financial instruments
- Hedge accounting
- Corporate reporting and financial instruments

## LEARNING ACTIVITIES AND METHODOLOGY

This is a 6 ECTS course (25 hours of work per credit). The assignments required are:
A) Reading and studying the teaching material (individual work- 62 hours)by which the student should acquire the required theoretical knowledge that will be evaluated.
B) Solving cases and exercises (60 hours, where students will apply the theoretical knowledge.
C) Discussion of cases (class work- 28 hours). This activity will allow students to develop critical thinking, oral and discussion skills.

## ASSESSMENT SYSTEM

Assessment will include:

- Class participation and 2 intermediate tests 30%
- Final exam 50%
- Project 20%

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| **% end-of-term-examination:** | 50 |
| **% of continuous assessment (assigments, laboratory, practicals…):** | 50 |

## BASIC BIBLIOGRAPHY

- IASB NIC/IAS 32, IASB , 2012
- IASB NIC/IAS 39, IASB, 2003

- IASB NIC/IFRS 9, IASB, 2014
- IASB NIC/IFRS 7, IASB, 2012