



INTRODUCTION

Course description: Accounting is, essentially, a common language used by every company in the world to express its operations and financial situation. The aim of this course is to learn how this language is used in the most common areas, taking into account international financial reporting standards and previous knowledge on Financial Accounting I.

- **Degree:** ADE+Data A., ADE+Finan, ADE + DN(b)
- **Module in the Degree program:** Module 1: Finance and Accounting
- **ECTS:** 6 ECTS
- **Year and semester:** second year, first semester
- **Course type:** mandatory
- **Professor:** Fernando Vallejo Sagaseta de Ilúrdoz
- **Language:** English
- **Schedule and classroom:**
 - Mondays: Room A012 (240, Amigos): 19h - 21h
 - Thursday: Room A010 (231, Amigos): 18h - 20h
- **More Info:**

<https://www.unav.edu/web/facultad-de-ciencias-economicas-y-empresariales/estudiantes/horarios>

SKILLS

- CG2: Identify, integrate and use the knowledge acquired in the discussion or resolution of problems that are relevant to economics and/or business.
- CE1: In-depth knowledge of the International Financial Reporting Standards and the theoretical concepts of accounting and finance.
- CE2: Analyze different accounting and/or financial situations of a company and its future projection, based on real cases.
- CE14: Solve specific accounting problems based on the application of the International Financial Reporting Standards.

PROGRAM

Course Overview:

Financial Accounting II is an advanced course that builds on the foundational knowledge gained in introductory financial accounting. It focuses on more complex accounting concepts and their application in financial reporting, with an emphasis on the recognition, measurement, and disclosure of various key financial elements under IFRS standards.

Course Structure:

Module 1: Property, Plant, and Equipment (PPE)

Introduction to PPE

Definition and scope of PPE under IFRS

The difference between PPE and intangible assets

Initial Recognition and Measurement

Subsequent Measurement

Depreciation: Methods (straight-line, declining balance, etc.)



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Changes in estimates (useful life, residual value)

Impairment of PPE

Indicators of impairment

Impairment testing and measurement

Disposal and Derecognition of PPE

Gain or loss on disposal

Accounting for the sale, abandonment, or retirement of PPE

Module 2: Intangible Assets

Introduction to Intangible Assets

Definition and characteristics of intangible assets

Types of intangible assets: Patents, trademarks, goodwill, intellectual property, etc.

Recognition and Measurement

Initial measurement: Cost or revaluation model

Amortization methods and useful life

Accounting for Goodwill

Definition of goodwill

Goodwill impairment testing

Accounting for acquired goodwill

Module 3: Liabilities

Introduction to Liabilities

Classification of liabilities: Current vs. non-current

Recognition of liabilities under IFRS

Types of Liabilities

Financial liabilities (loans, bonds, etc.)

Provisions (e.g., warranty, restructuring costs)

Contingent liabilities

Measurement of Liabilities

Initial measurement: Cost, fair value, amortized cost

Subsequent measurement: Amortized cost and fair value through profit or loss

Module 4: Financial Assets



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Introduction to Financial Assets

Types of financial assets: Cash equivalents, receivables, investments, derivatives

Classification and Recognition

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through other comprehensive income (FVOCI)

Amortized cost classification

Measurement of Financial Assets

Initial measurement: Fair value

Subsequent measurement: Fair value vs. amortized cost

Impairment of Financial Assets

Expected credit loss model (ECL)

Impairment indicators and calculation methods

EDUCATIONAL ACTIVITIES

- Lectures are given by the Professor using resources available such as blackboard and power point presentations. PPTs will be uploaded to ADI.
- Office hours: there will be office hours in which the students will have the opportunity to share their questions with the rest of their colleagues attending.

EVALUATION SCHEME

ORDINARY EVALUATION (DECEMBER)

- 50% Final Exam
- 25% Quizz 1
- 25% Quizz 2

Quizzes may cover all subjects taught from the beginning of the semester.

How the final grade is calculated

- The course grade is the weighted average of the three exams above: 25% Quiz 1 + 25% Quiz 2 + 50% Final Exam.
- To pass the course you must achieve a minimum of 50% either in the course grade or in the final exam. The higher of the two will determine your final grade.
- Students who obtain 50% or more in each of the two quizzes may choose not to sit the final exam. In that case the final exam does not count and the final grade is the average of the two quizzes.
- Those students may still sit the final exam voluntarily, in order to improve their grade. For them the average of the two quizzes is guaranteed as a minimum: sitting the final exam can only raise the final grade, never lower it.
- Class participation (e.g. exercise solving, discussions, etc.) can be considered when computing final grades.

Exam rules



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All exams in this course are practical. They consist of exercises and problems to be solved, and they are marked on the reasoning and the accounting treatment applied, not on the reproduction of theory. There are no theory questions in any exam of this course.

- Notebook, pen or pencil and calculator are mandatory in every exam.
- No question will be answered during the exam. If you have any comment, please write it down next to the exercise.

Material allowed in the exams

- Exams in this course are open-material: students may bring and consult any printed or handwritten resource of their choice — notes, textbooks, IFRS standards, formularios — with no restriction on content or source. However, only physical, paper-based material is allowed.
- No electronic devices of any kind may be used or kept accessible during the exam, including phones, tablets, laptops, smartwatches or any AI-based tool.
- Any material that is not printed or handwritten, and any use of an electronic device, will be treated as an attempt at fraud and will result in failing the subject.

Students with special educational needs must first contact the Studies Coordination Office of the (faculty/school) to obtain the corresponding authorization for accommodations (for example, additional time in exams). This authorization must then be sent by the student to the instructor. It is recommended that this procedure be completed at the beginning of the semester.

It is reminded that any attempt at fraud, cheating, plagiarism, or other irregular conduct constitutes a serious offense, as established in Title IV, "Academic Disciplinary Regulations for Students," within the System of Rules on Coexistence at the University of Navarra.

EXTRAORDINARY EVALUATION (JUNE)

- 100% Extraordinary Exam

RECOMMENDED BIBLIOGRAPHY

1. Kieso, D. E., Weygandt, J. J., & Warfield, T. D.

Intermediate Accounting (16th edition). Wiley. [Find it in the library \(15 ed.\)](#)

2. Spiceland, J. D., Sepe, J. F., & Nelson, M. W.

Intermediate Accounting (9th edition). McGraw-Hill Education.

3. Weygandt, J. J., Kieso, D. E., & Kimmel, P. D.

Financial Accounting: Tools for Business Decision Making (9th edition). Wiley.

CONTACT

- **Email address:** fvallejosag@external.unav.es
- **Office hours:** Online or after class, prior reservation required