



## 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 B02: 19h - 21h
  - Fridays: Room A12: 15h - 17h
- **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: 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



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### **Accounting for Goodwill**

Definition of goodwill

Goodwill impairment testing

Accounting for acquired goodwill

### **Module 2: 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.)

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 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**

#### **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 open 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 include questions regarding all subjects covered from the beginning of the semester. Every exam will be multiple choice. These rules will be followed in every exam:

- Incorrect answers: -  $\frac{1}{4}$  right answer
- Not answered: 0
- If your answer is not among the choices, write it down and explain the process
- The only valid answer will be the one filled on the table provided
- No question will be answered during the exam. If you have any comment, please write it down next to the question.
- Those who are caught cheating, will fail the subject.

To pass the course, you must achieve a minimum of 50% either in the overall course grade or in the final exam. The higher of the two will determine your final grade. Students who achieved 50% or more during the course grade and pass both midterms may choose to take the final exam to improve the grade, but it will be optional.

**Class participation (e.g. exercise solving, discussions, etc.) can be considered when computing final grades**



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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](mailto:fvallejosag@external.unav.es)
- **Office hours:** Online or after class, prior reservation required