

CONTENT OF COURSES
2022/2023
DEGREE IN FINANCE AND ACCOUNTING
THIRD YEAR

The following information is subject to changes.
For more details regarding the courses, please, contact the coordinating professor.

Updated 30/09/2022

FIRST SEMESTER
COST ACCOUNTING

THE NATURE AND CONTENT OF COST AND MANAGEMENT ACCOUNTING.

- 1.1 Business management and information needs.
- 1.2 What information should management accounting provide?
- 1.3 Definition of management accounting.
- 1.4 Differences between Management Accounting and Financial Accounting.
- 1.5 Management Accounting and Cost Accounting.
- 1.6 Standardisation of management accounting.

TOPIC 2.FUNDAMENTAL COST ACCOUNTING CONCEPTS.

- 2.1 Concept of cost.
- 2.2 Concept of expenditure in financial accounting.
- 2.3 Concept of burden.
- 2.4 Classification of costs.
 - 2.4.1. Classification of costs for production costing.
 - 2.4.2. Classification of costs for the planning and control process and decision making.
- 2.5 The concept of revenue, margin and profit or loss in cost accounting.
- 2.6 Differences and reconciliation of Cost Accounting operating profit and loss with Financial Accounting profit and loss.

TOPIC 3.COST CALCULATION SYSTEMS. GENERAL CONSIDERATIONS.

- 3.1 Usefulness of product costing.
- 3.2 Structure of a general costing model.
- 3.3 Summary vision of the operating result.
- 3.4 Costing systems.
 - 3.4.1. Depending on the form in which costs are accumulated: by order, by process, by operation.
 - 3.4.2. Depending on the portion of costs that form part of the cost: full costs and partial allocation.
 - 3.4.3. According to the object of location of indirect costs: section-based and activity-based.
 - 3.4.4. Depending on the point in time to which the data refer: historical, standard, normal.
- 3.5 Are some calculation methods systematically better than others?

TOPIC 4.INDIRECT COSTS.

- 4.1 Concept and classification of indirect costs.
 - 4.1.1.1.According to their nature.
 - 4.1.1.2.According to their function.
 - 4.1.1.3.According to their variability.
- 4.2 The allocation of indirect costs in organic cost models.
 - 4.2.1.Cost centres, activity centres and their types.
 - 4.2.2.2.The work unit.
 - 4.2.3.Allocation or assignment of costs between centres

TOPIC 5.DIRECT COSTS.

- 5.1 Concept and classification.
- 5.2 The cost of materials.

5.2.1.The procurement process and its costs.

5.2.2.2.The cost of purchased materials.

5.2.3.Valuation criteria.

5.2.4.Inventory differences.

5.2.5.Treatment of waste and scrap.

5.3 Labour costing.

5.4 The process of allocating direct costs to products.

TOPIC 6.COST SYSTEMS BY ORDERS, BY PROCESSES AND BY OPERATIONS.

6.1 Types of production systems and cost absorption systems.

6.2 Cost accounting by work orders.

6.3 Cost Accounting by Operations.

6.4 Activity-Based Costing

6.4.1. The process cost absorption flow. The work in process problem.

6.4.2.The equivalent units.

TOPIC 7. TREATMENT OF DAMAGED AND DEFECTIVE PRODUCTS.

7.1 Introduction.

7.2 Damaged products and cost of production

7.2.1. Non-identification of damaged units.

7.2.2. Consideration as period costs (extraordinary losses).

7.2.3. Differentiation between normal and extraordinary damaged production, and its incidence on the cost of production.

7.3 Determination of the cost of production in the presence of defective products.

Topic 8: MULTIPLE PRODUCTION.

8.1 Concept and types of multiple production: common production and joint production.

8.2 Definition and classification of product types.

8.3 Methods of apportioning joint costs.

FINANCIAL PLANNING

TOPIC 1. FINANCIAL PLANNING

1. Business and financial planning.

2. Capital budgeting.

2.1. The partial application budget.

2.1.1. The table of net current capital requirements.

2.2. The partial source budget.

2.2.1. The cash-flow table.

3. The cash budget.

4. The forecast balance sheets.

TOPIC 2. THE BUDGET SYNTHESIS.

1. Other financial alternatives.

2. Feasible budget and final budget.

3. Balancing the capital budget.

TOPIC 3. FINANCIAL CONTROL.

1. The control function.
2. A priori control.
3. A posteriori control.

TOPIC 4. MANAGEMENT OF CURRENT ASSETS

1. Introduction.
2. Inventory management.
3. Customer and accounts receivable management.
4. Cash management.

TOPIC 5. MANAGEMENT OF CURRENT LIABILITIES.

1. Introduction.
2. Management of suppliers.
3. Short-term bank financing.
4. Other current liabilities.

TOPIC 6. BANKING RELATIONSHIPS: NEGOTIATION.

1. Introduction.
2. The banking system.
3. Financial products and services.
4. Banking relationships.

APPLIED ENGLISH FOR FINANCE

1. Making contact:

- 1.1. Introducing yourself and others
- 1.2. Getting in contact
- 1.3. Formal and informal language
- 1.4. Cultural awareness.

2. Telephoning:

- 2.1. Business telephone calls
- 2.2. Getting through and introducing yourself
- 2.3. Leaving and taking a message

3. Business Communication

- 3.1. Business letters layout
- 3.2. E mail messages
- 3.3. Presentations

4. Applying for a job:

- 4.1. Recruitment and selection
- 4.2. Advertisements
- 4.3. Writing a CV.
- 4.4. Letters of application
- 4.5. Attending an interview

- 5.Finance:
5.1.The financial sector
5.2.Money and income
5.3.The balance sheet

FINANCIAL ECONOMETRICS

INTRODUCTION

Topic 0. Presentation of the subject

- 0.1 Description, objectives, resources and methodology.
- 0.2 Utility of econometrics. Examples

Topic 1. The nature of econometrics and economic data

- 1.1 What is econometrics?
- 1.2 Stages of Empirical Econometric Analysis
- 1.3 The structure of economic data
- 1.4 Causality and the notion of ceteris paribus in econometric analysis

PART ONE. MODELS FOR ECONOMIC-FINANCIAL CROSS-SECTIONAL DATA

Topic 2. The simple model for cross-sectional data. Estimation of economic relationships.

- 2.1 Definition of the simple model
- 2.2 Estimation of the simple model
- 2.3 Expected values and variances of the estimators.

Topic 3. The multiple model for cross-sectional data. Estimation of economic relationships

- 3.1 Rationale and specification of the multiple model
- 3.2 Estimation and interpretation of the multiple model
- 3.3 The expected value of the estimators
- 3.4 Variance of estimators
- 3.5 Efficiency of estimators: G-M Theorem

Topic 4. The multiple model for cross-sectional data. Testing economic hypotheses

- 4.1 Distribution of OLS estimators
- 4.2 Testing single-parameter hypotheses
- 4.3 Testing linear economic restrictions
- 4.4 Presentation of results

Topic 5. Changes of scale, non-linear functional forms and prediction

- 5.1 Changes of scale
- 5.2 Non-linear functional forms
- 5.3 Functional form specification test
- 5.4 Goodness of fit
- 5.5 Forecasting

Topic 6. Models with qualitative economic information

- 6.1 How to describe qualitative information
- 6.2 An independent dummy variable
- 6.3 Dummy variables for multiple categories

6.4 Interactions with dummy variables

Topic 7. Heteroskedasticity in Econometric Models

- 7.1 Consequences of Heteroskedasticity
- 7.2 Robust inference to heteroskedasticity
- 7.3 Heteroskedasticity contrasts
- 7.4 Weighted least squares estimation

PART TWO. MODELS FOR ECONOMIC-FINANCIAL TIME SERIES DATA

Topic 8. Basic time series models

- 8.1 Nature of time series data
- 8.2 Examples of time series regression models
- 8.3 Properties of the OLS estimator under classical assumptions
- 8.4 Trend and stationarity
- 8.5 Autocorrelation

Topic 9. Univariate financial time series models

- 9.1 The autocorrelation function
- 9.2 The univariate autoregressive model
- 9.3 Stationarity versus non-stationarity
- 9.4 Extensions of the univariate autoregressive model

Topic 10. Modelling financial volatility

- 10.1 Volatility
- 10.2 Volatility models (ARCH,GARCH...)

INCOME TAX REGIME

- Topic 1: General corporate tax regime (i).
- Topic 2: General corporate tax regime (ii).
- Topic 3: General corporate tax regime (iii).
- Topic 4: Special regimes.
- Topic 5: Management of tax.

END OF FIRST SEMESTER

SECOND SEMESTER
FINANCIAL STATEMENTS

1. Annual Accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements).
2. The statement-proposed appropriation of profit or loss.
3. The reconciliation statement of total recognised income and expense and taxable income.
4. The management report.
5. Other supplementary financial statements.

MANAGEMENT ACCOUNTING

1. Block: Limitations of the full cost model for decision making.

TOPIC 1: Analysis of Cost Behaviour

- 1.1. Classification of costs in terms of volume: typology, assumptions and limitations.
- 1.2. Methods of classifying costs into variable and fixed costs.

2. Block: Cost Accounting and the management of activities and production processes. Limitations of traditional cost systems.

TOPIC 2: The activity-based costing system.

- 2.1. Introduction.
- 2.2. Background and fundamentals of ABC models.
- 2.3. Activities and their types. 2.4.
- 2.4. The cost driver.
- 2.5. The process of cost allocation in the ABC model.
- 2.6. The implementation of the ABC model.
- Conditions for the implementation of the ABC model. 2.8.
- 2.8. The ABC model and traditional costing systems.
- 2.9. Activity Based Management.

TOPIC 3: ABC/ABM and Decision Making

- 3.1. Activity Based Management.
- 3.2. ABM.
 - 3.2.1. Activity analysis.
 - 3.2.2. Analysis of the drivers.
 - 3.2.3. Performance analysis.

3. Block: Cost Accounting for planning and control.

TOPIC 4: The standard cost system and budgeting

- 4.1. Introduction to the planning process and budget management.
- 4.2. Standard costs: concept and characteristics.
- 4.3. Standard costs and the production budget.
- 4.4. The concept of variance and its causes.
- 4.5. Calculation and analysis of variances in direct costs.
- 4.6. Calculation and analysis of variances in indirect costs.

4.7.Valuation of products using standard costs.

4.Block: Cost Accounting for decision making.

TOPIC 5: Variable Costing Systems

5.1. Limitations of the Full Cost model for decision making.

5.2.The Variable Cost Method.

5.3.The Full Cost versus Variable Cost Method. Effects on profit and stock valuation.

TOPIC 6: The cost-volume-benefit analysis

6.1.The starting assumptions of the Cost-Volume-Benefit analysis.

6.2.Applications of the Cost-Volume-Profit analysis.

6.3.The concept of break-even point or break-even point.

6.4.Multidimensional break-even analysis.

6.5.Cost-Volume-Profit Analysis and decision making.

6.6.Cost-Volume-Profit analysis and multiple production.

TOPIC 7: Differential analysis

7.1.Introduction to differential analysis.

7.2.Short-term decision making.

7.3. Joint allocation processes and decision making.

FINANCIAL MARKETS I

1. General characteristics of a financial system
2. Money market
3. Capital market
4. Derivatives markets (i): financial futures
5. Derivatives markets (ii): financial options

TAX LAW II

FIRST PART: Tax Law (general part): Concepts and institutions of Financial and Tax Law, general theory of taxation, elements of quantification of tax debt and procedures for the application of taxes.

PART TWO - Tax Law (special part): Analysis of Value Added Tax.

FINANCIAL ACCOUNTING AND TAXATION

Income tax. This section covers the following thematic blocks:

- Commercial and tax regulations relating to income tax.
- Accounting for income tax:
- Income tax as an expense.
- Tax assets and liabilities derived from the accounting of income tax.
- Types of differences: permanent and temporary differences.
- Analysis of the main differences between accounting and tax regulations. Tax assets and liabilities arising from temporary differences. Creation and reversal.
- Tax information to be provided in the Annual Accounts, paying special attention to the reconciliation statement between income and expenses recognised in the accounts and the tax base.

Other taxes and how they are reflected in the accounts.

This section studies the accounts on taxes in general, taxes that represent an accounting expense, taxes that increase the value of assets or taxes that can be passed on.

Value added tax

- Analysis of commercial regulations relating to value added tax.
- Accounting implications derived from value added tax.
- Intra-group transactions.
- Pro-rata rule.
- Self-consumption of goods.
- Special regimes: equivalence surcharge.
- Financial leases.

INTERNATIONAL FINANCIAL ACCOUNTING

INTERNATIONAL ACCOUNTING CONCEPTUAL FRAMEWORK.

- International accounting harmonisation
- The IASB model and its conceptual framework.

ACCOUNTING STANDARDS

- Standards related to Tangible Fixed Assets.
- Standards related to Intangible Assets
- Standards related to Official Grants
- Standards relating to Financial Instruments.
- Standards relating to Annual Accounts.

INTERNATIONAL FINANCE

1. International Finances and Financial Management
2. Investment Assessment under conditions of risk and uncertainty
3. International Monetary System and Foreign Exchange Market
4. The International Bond Market

5. The International equity/stock market
6. International Portfolio Management
7. Organised Foreign Exchange Derivative Markets

AUDITING

TOPIC 1: THE OBJECTIVES OF AUDITING

- 1.1. The concept of auditing
- 1.2. Analysis of the postulates of auditing
- 1.3. Audit objectives

TOPIC 2: THE REGULATION OF AUDITING IN SPAIN

- 2.1. Brief summary of the origins of auditing in Spain
- 2.2. The current legislative framework: The Audit Law, the Audit Regulations and the Technical Standards.
Regulations and the Technical Standards.
- 2.3. Brief reference to international auditing regulations.
- 2.4. Organisation of the profession in Spain.
- 2.5. Access to the profession in Spain
- 2.6. Professional Corporations
- 2.7. General Technical Standards in Spain

TOPIC 3: THE AUDIT PROCESS:

- 3.1. General description of the audit process
- 3.2. Fundamental concepts determining the nature of audit
- 3.3. The audit objectives
- 3.4. The concept of audit evidence
- 3.5. The concept of materiality in auditing
- 3.6. The audit risk model

TOPIC 4: THE EXECUTION OF THE AUDIT PROCESS

- 4.1. Audit Planning
- 4.2. The analytical review
- 4.3. Analysis and evaluation of internal control
- 4.4. Defining the audit programme
- 4.5. Determination of audit procedures
- 4.6. Brief reference to sampling in auditing
- 4.7. Documentation of evidence: working papers

TOPIC 5: THE ISSUANCE OF THE AUDIT OPINION

- 5.1. Objectives and Nature of the Audit Report
- 5.2. Types of audit opinion
- 5.3. Circumstances explaining the audit opinion
- 5.4. Evaluating the Operating Business Principle as a special aspect of the opinion
- 5.5. The Analysis of events at the end of the financial year