



STUDIES: ECONOMIC AND BUSINESS SCIENCES

SUBJECT: ACCOUNTING PLANNING AND MANAGEMENT (Code 30040)

LECTURER STAFF: J. Alonso, E. Cristobal, M. Farré, J.L. Gallizo, S. Miquel, M. Plana, FX Ruiz del Portal, Ramon Saladrigues (Coordinator)

**Third year
Second term**

CREDITS: 6

TYPE: Elective subject

1. OBJECTIVES

The aim of this subject is to develop an understanding of the European economy and European firms, and an understanding of the demand and supply of accounting information and the role of financial analysis. Students will also gain a balanced view regarding the relevance of some topics of European firms, and the relevance of accounting information for decision making and the reliability of accounting statements. They will develop also an understanding of the use of mathematical models that will improve the basic skills of financial analysis.

First of all, the program begins with an overview on our economic environment, the European Union. After that, the subject introduces some aspects about entrepreneurship, family business and advertising, and focuses on financial information in EU and financial statement analysis of European enterprises.

Subject specific knowledge and skills

On completing this course you will be able to:

- analyse the macroeconomics structure of memberships of the European Union
- assess the achievement of financial objectives through monetary and fiscal policies in the European Union
- compute and understand the usual financial ratios in cross sectional and time series analysis
- analyse and interpret the annual financial statements of limited companies
- assess the financial performance of firms and contrast this performance with that of other firms
- discuss the problems encountered when comparing financial statements from differing countries

Cognitive abilities and non-subject specific skills

During the course you will:

- Develop ability to analyse and evaluate information
- Develop group work and interpersonal skills by carrying out a group assignment
- Develop ability to discuss and make presentations in English

2. TEACHING AND LEARNING

Students will have a certain number of contact hours and the teaching will be on the basis of lectures and tutorials. The lectures will cover all the major issues specified in the syllabus. The tutorials will be used to develop practical skills, to review cases and for discussion of the theoretical issues. Attendance at tutorials is compulsory.

3. LECTURE PROGRAMME

INTRODUCTION & OVERVIEW (Lecturer: R. Saladrigues)

1. Course Introduction.
2. Working groups.

MODULE 1: ECONOMICS OF THE EUROPEAN UNION (Lecturers: M. Farré and FX. Ruiz del Portal) (1 credit)

1. Global perspective of the EU.
2. Analysis of individual countries.
3. Analysis of the new memberships markets: opportunities and threats for Spanish enterprises.
4. The EMU (European Monetary Union) and the Stability Plan. The European financial markets.
5. The monetary policy in the EMU. The tax harmonization process and its room for fiscal policy in the EU.

Aims:

- Introduce the students to the economics of the EU.
- Examining the potentiality of the European markets.
- Analyzing the available tools to solve market failures in the EU.

Evaluation:

- Work out and discuss macroeconomic variables of EU memberships.
- Discussion of a case on economic policies in the EU.

MODULE 2: ENTREPRENEURSHIP, FAMILY BUSINESS AND ETHIC & ADVERTISING (1,5 credits)

1. Entrepreneurship in Europe (Lecturer: J. Alonso)

- 1.1. Entrepreneurship: characteristics, process of start up a new business, role in the economic development.
- 1.2. Global Entrepreneurship Monitor Survey.
- 1.3. National cases about entrepreneurship.

2. Family Business (Lecturer: M.Plana)

- 2.1. Family Business. What is a family business? Characteristics.
- 2.2. Government structures inside the family business.
- 2.3. The family creed, a tool for the business for the family and for the family business.
- 2.4. Family Business case.

3. Ethic and Advertising (Lecturer: E.Cristobal)

- 3.1. What is advertising? Definition, importance.
- 3.2. Benefits and damages of advertising.
- 3.3. The relationships between marketing, advertising and needs.
- 3.4. Advertising regulations in Europe.
- 3.5. Social effects of advertising.
- 3.6. Different practices of advertising: subliminal messages, sex and spots, sexist advertising, provocative communication...

Aims:

- Introduce the students to the entrepreneurship and business topics and to the advertising world with a criticism point of view.
- Explain the importance of the entrepreneurship and the family business in the economic development of the UE, and the importance of the business communication in the consumer behavior.
- Self knowledge about the characteristics of their own national entrepreneurship.

Evaluation:

- Discuss and comment the characteristics of different national entrepreneurship characteristics.
- Work out, discuss and comment different cases.

MODULE 3: INTERNATIONAL FINANCIAL INFORMATION (2,5 credits)

1. New framework in European accounting (Lecturer: R. Saladrigues)

- 1.1. The European Union and the harmonized financial reporting.
- 1.2. International Financial Reporting Standards (IFRS) from IASB.
- 1.3. A complete set of financial statements:
 - Balance sheet
 - Income statement
 - Statement of changes in equity
 - Cash flow statement
 - Notes

2. International Standards and Practices (Lecturer: R. Saladrigues)

- 2.1. An overview on the IFRS.
- 2.2. The IFRS and national accounting standards in Europe.

3. Financial Statement Analysis (Lecturer: JL. Gallizo)

- 3.1. Financial Statement Analysis: an overview.
- 3.2. Financial Statement Analysis techniques.
- 3.3. Ratio analysis.

Aims:

- Introduce the students to the IFRS and to the Financial Statement Analysis.
- Analyse and interpret the annual financial statements of limited companies.

Evaluation:

- Present, discuss and comment specific accounting standards (working groups).
- Work out.

MODULE 4: FINANCIAL OPERATIONS (Lecturer: S. Miquel) (1 credit)

1. Preliminaries

- 1.1. Financial regimes
- 1.2. Annuities

2. Loans

- 2.1. Studying loan operations
- 2.2. Loan amortization by constant payments
- 2.3. Loan amortization though variable payments

3. Bonds

- 3.1. American bonds
- 3.2. Zero-coupon bonds

Aims:

- Analyzing financial operations
- Discussing the choice of a certain financial operation

Evaluation:

- Daily group assignments
- A case study

4. BIBLIOGRAPHY

Module 1

Neal, Larry (2007): "The economics of European Union" Cambridge University Press.
<http://epp.eurostat.ec.europa.eu/portal/>

Module 2

Adbusters: <http://www.adbusters.org/home/>
Beigbederm Frederic (2004). *99 francs (14,99€)*. Editions Gallimard.

Global Entrepreneurship Monitor: <http://www.gemconsortium.org/>

Kirkpatrick, Jerry (2007). *In Defense of Advertising: Arguments from Reason, Ethical Egoism, and Laissez-Faire Capitalism*. Ed. TLJ Books

Klein, Naomi (2002). *No Logo*. Ed. Picador. <http://www.nologo.org/>

Lane, W., King, K. and Russell, J. (2004). *Kleppner's Advertising Procedure*. Ed. Pearson. 16th Edition.

(<http://www.pearsoned.co.uk/Bookshop/detail.asp?item=10000000072013>)

Module 3

Alexander, D. and Archer, D. (2003): *International Accounting Standards Guide*. Aspen Publishers.

Foster, G. (1996): *Financial Statement Analysis*. Prentice Hall.

Haskins, Ferris and Selling (1996): *International Financial Reporting and Analysis. A contextual emphasis*. Irwin.

Rees, B. (1996): *Financial Analysis*. Prentice Hall.

Module 4

Córdoba Bueno, M. (2006) *Fundamentals and Practice of Financial Mathematics*. Ed. Dykinson

Bossu, S. and Henrotte, P. (2005) *Finance and Derivatives. Theory and Practice*. John Wiley & Sons, Ltd.

5. EVALUATION

Continuous evaluation according to the specifications of each module. The global mark will be obtained from the marks of every module in proportion to the number of credits of the module.