

Financial Accounting II

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Objectives

- To deepen the knowledge acquired in Accounting I / Financial Accounting I course.
- To address some of the International Financial Reporting Standards (IFRS).
- To address the topic of consolidation of accounts.

Course content

I. Topics on financial accounting

1. Preparation of financial statements.
2. Shareholders' Equity: Issuance and reduction of capital.
3. Shareholders' Equity: Own shares.
4. Grants and subsidies: Related to assets/Income, Forgivable loans, Repayable grants.
5. Leasing: Financial/Operational, Sale and leaseback.

II. International Financial Reporting Standards

1. Accounting harmonization.
2. Analysis of the following accounting standards: IAS 1, IAS 2, IAS 16, IAS 36, IAS 37 and IAS 38.

III. Business combinations

1. Mergers and acquisitions. Splits.
2. The meaning and the objective of consolidation.
3. The consolidation process.
4. Consolidated financial statements.

Bibliography

- Book: Financial accounting and reporting, A global perspective (7th ed.), Stolowy, Ding & Paugam, Cengage (2024).
- IASB Conceptual Framework.
- Specific IAS/IFRS as adopted by the European Union.

Assessment

The assessment follows the Regime Geral de Avaliação de Conhecimentos (RGAC). The continuing assessment has a weight of 30% for the calculation of the final grade and is composed of two quizzes administered in the practical classes (weight of 15% each).

The continuing assessment is only considered in case it benefits the student's final grade. Therefore, the grade of each quiz is only considered if it is higher than the exam grade. In case the grade of a quiz is below the exam grade, the respective weight is added to the weight attributed to the exam.

The consultation of course materials is not allowed during the exam (the chart of accounts will be handed over to the students together with the exam sheets). A minimum grade of 8 points (out of 20 points) is needed in the exam.

Final grades of 18 points or higher may be subject to further testing to defend the grade.