



NATIONAL UNIVERSITY OF ENGINEERING
COLLEGE OF INDUSTRIAL AND SYSTEMS ENGINEERING

SYSTEMS ENGINEERING PROGRAM

GP223 – Financial Accounting

I. GENERAL INFORMATION

CODE	: GP223 – Financial Accounting
SEMESTER	: 6
CREDITS	: 03
HOURS PER WEEK	: 04 (Theory – Practice)
PREREQUISITES	: GP202 – Microeconomy
CONDITION	: Mandatory

II. COURSE DESCRIPTION

What is accounting? Accounting classes. General Basics. The accounting principles, the accounting cycle. The general accounting plan accounts, the balance and result accounts. The mandatory and non-mandatory accounting books. The accounting operations, the financial statements, the Balance Sheet, the Statement of Profit and Loss, the Cash Flow, the statement of equity, the statement of sources and uses of funds, analysis of financial statements through financial ratios. Depreciation and fixed assets.

III. COURSE OUTCOMES

At the end of the course the student will:

- Know the accounting principles, especially the double entry principle.
- Analyze the account plan, analyzing the accounts of the asset, liability, equity, income and expenses.
- Develop the Accounting Cycle, analyzing the various mandatory and voluntary accounting books.
- Analyze the various financial statements such as the Balance Sheet, the Income Statement, the Cash Flow Statement, the statement of financial position and the statement of funds, perform its interpretation and projection to diagnose the economic and financial situation of the company.

IV. LEARNING UNITS

1. ACCOUNTING CONCEPTS. BALANCE SHEET AND STATUS OF RESULTS

Accounting: The language of business. Nature of Accounting. General Balance – General Structure. Transactions. Property types. General Meeting of Shareholders, Board of Directors. Audit. Measurement of the result to evaluate performance. Profit and loss statement. General structure. Cash flow statement. Accounting of dividends and profits.

2. REGISTRATION OF TRANSACTIONS AND INTERRELATIONS BETWEEN THE FINANCIAL STATE ACCOUNTS. SALES AND INCOME. INVENTORY VALUATION METHODS

Transaction records. Registration process. Daily and Major. General Accounting Plan. Interrelations between the Balance Accounts and the Statement of Profit and Loss. Use of the Financial Statements. Generally accepted accounting principles. Account adjustments. Types of expenses. Difference between Sales and Income. Sales accounting. Income recognition. Cash and Credit Sales. Accounts Receivable. Measurement of bad debts. Inventories and Costs of goods sold. Perpetual and periodic inventory systems. Cost of merchandise purchased. Inventory valuation methods

3. FIXED AND INTANGIBLE ASSETS. CURRENT LIABILITIES AND LONG-TERM DEBTS. CASH FLOW

Long Life and Depreciation Assets. Depreciation of Fixed Assets, depreciation methods, linear, sum of digits of the year, double decreasing balance, production units and Amortization of Intangibles. Earnings and losses on sales of fixed and intangible assets. Depletion of resources. Tax or Fiscal Shield. Difference between outflow and expenditure. Liabilities and interests. Current liabilities accounting; suppliers, state, personnel. Structure. Long-term liabilities. Financial leasing. Cash flow statements. Transactions that affect cash flow. Liabilities and interests. Interrelation with Asset accounts.

4. ANALYSIS OF FINANCIAL STATEMENTS

Analysis of financial statements. State of Origin and Application of Funds. Financial reasons.

V. LABORATORIES AND PRACTICAL EXPERIENCES

Practical Experiences: Practical cases related to the national reality in terms of the use of cost systems in the productive sectors.

VI. METHODOLOGY

The teaching methodology will promote the previous preparation, on the students part, of the topics that are programmed in each week, this will be given as follows:

- Read and summarize the material delivered.
- Solve the case or exercise indicated for that week.
- Attend sessions and participate in class.
- The previous actions will make it easier to summarize and understand the chapters of the bibliographic material suggested.

The students will form work groups in which they will investigate topics proposed by the teacher, presenting a monograph with the content of the research and the resolution of an application case proposed by the group. They must also state on the scheduled date the content of the research and the solution of the case. The final work will be delivered printed, attached on a magnetic medium and be presented with an exposition the same day.

Each research should have a brief application example based on the theory presented. The qualifications obtained by the group work will be calculated as follows:

- A grade resulting from the qualification of the report presented plus the questions asked in the presentation to each of the members.
- Another grade resulting from the qualification of the work exposition and the answers of the questions asked by the students.

This exposition will be recorded, edited (by the team that will act as a jury) and uploaded to an internet platform, which can be accessed by students.

The teacher will take a maximum of 5 short reading controls for the purpose of verifying the level of understanding of the different subjects, 25% of the lowest grades will be eliminated and an average will be calculated with the remaining ones to be rounded to the upper integer.

At the second week of class an entrance test will be carried out, the students must read and review the topics related to the questions, which are basic topics for the development of the course.

VII. EVALUATION FORMULA

The learning will be evaluated through the "I" system.

- Partial Exam (PE): Weight 1
- Final Exam (FE): Weight 2
(The final exam and control exams and readings)

$$FA = \frac{PE + 2 * FE}{3}$$

VIII. BIBLIOGRAPHY

- SP Kothari, Course materials: Introduction Financial Accounting. Sloan School of Management Massachusetts Institute of Technology. June, 2004
- Horngren, Charles, Financial Accounting. Mexico, 1998. Prentice Hall Hispanoamericana S.A., Mexico.
- Horngren, Charles; Sundem, Gary; Elliott, John. Introduction to Financial Accounting, 7th Ed. 2000. Prentice Hall Hispanoamericana S.A., Mexico.
- Anthony Robert, Administrative accounting for decision making.