

**UNIVERSITY OF PUERTO RICO  
RIO PIEDRAS CAMPUS  
FACULTY OF BUSINESS ADMINISTRATION  
ACCOUNTING DEPARTMENT**

<b>CONT 4029 INTERNATIONAL ACCOUNTING</b>
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**Code assigned to the course: CONT 4029**

**Prerequisite: CONT 3106**

**Credits: 3 Credits**

**Description:**

Study of the multinational dimensions of accounting with reference to transactions in foreign currency, taxes, audit and financial statements. Discussion of efforts to harmonize accounting standards, organizational structure, ethics, investments and the relevant economic environment. It requires that the student participate in work groups or individual projects and present their findings in an oral and written form. The course requires the use of the computer.

**OBJECTIVES:**

At the end of the course, students must:

1. Understand the critical role of international perspectives in the application of accounting.
2. Knowing how differences in culture, the legal system and the socio-economic environment affects the interpretation and analysis of financial information in different countries.
3. Improve your skills related to global financial information.
4. Understand the need for the creation of uniform accounting standards for international application.

**I INTRODUCTION**

Course Objectives  
Work Plan  
Student Evaluation

**II BACKGROUND**

Historical Perspective  
Evolution of Multinational Enterprises (MNE)  
Global economy  
Mergers and Acquisitions  
Internationalization of Capital Markets

**IV CONVERGENCE**

History (development)

- FASB
- IASC
- IASB

IASB Convergence Project and FASB  
Conceptual framework of IASB and FASB  
International Financial Reporting Standards (IFRS)  
IFRS in the United States and the European Union

## **V INTERNATIONAL STANDARDS OF INFORMATION FINANCIAL**

Differences: US GAAP vs IFRS  
Impact of the differences between US GAAP and IFRS  
IFRS requirements related to:  
Financial information on current and Non current assets,  
Current and non current liabilities  
Capital  
Revenues and expenses  
Provisions, benefits employed, "share based Payments (conceptual), income contributions, Income and financial instruments (conceptual).

## **VI CURRENCY TRANSACTIONS FOREIGN COBERTURA ("HEDGING") AND EXCHANGE RISK**

Trade/International Exchange  
Foreign exchange rates  
Foreign currency transactions  
“hedge”, “forward contracts”, options (conceptual)

## **VII TRANSLATION OF FOREIGN FINANCIAL STATEMENTS TO LOCAL CURRENCY**

Exchange rate  
Consolidated financial Statements (conceptual)  
Translation methods  
\* Current and non-current  
\* Monetary and non-monetary  
\*Temporal  
\* Current Rate  
Functional currency  
\* Factors and indicators  
Differences between IFRSs and US GAAP  
Disclosure

## **VIII DISCLOSUREN FINANCIAL: OTHER ASPECTS (CONCEPTUAL)**

Change in Price  
Accounting considering inflation  
Impact of inflation on financial statements  
Differences between IFRSs and US GAAP  
Business Combination and Consolidation

## **IX ANALYSIS OF FOREIGN FINANCIAL STATEMENTS**

Problem Analysis  
Analysis (vertical, horizontal, ratios)  
Disclosure  
Differences between IFRS and US GAAP

## **X INTERNATIONAL TAXATION**

Local investments  
Taxes  
Contributory jurisdiction  
Tax Credits  
Contributory incentives

## **XI INTERNATIONAL AUDIT AND CORPORATE GOVERNANCE**

- International External Audit
- Audit Environment
- Regulations
- Harmonization of international standards of audit
- Auditor reports
- Aspects of ethics
- Internal auditing

## **XII INTERNATIONAL CORPORATIONS: SOCIAL RESPONSIBILITY, CSR**

- Theories
- Various practices
- CSR regulations

## **XIII COMPARATIVE ACCOUNTING**

- Accounting aspects in different countries:
  - Nature of the profession
  - Regulations
  - Accounting principles and practices in these Countries
  - Areas in which accounting practices differ from IFRS

**COMPLIANCE WITH LAW 51** students receiving vocational rehabilitation services should contact the professor at the beginning of the semester to plan reasonable accommodation and necessary equipment in accordance with the recommendations of the Office of For People with Disabilities (OAPI) of the Student's Dean Office. Also, those students with special needs who require some kind of assistance or accommodation should contact the professor.

**ACADEMIC INTEGRITY** It is compulsory for the student to follow the student regulations and maintain proper and ethical conduct in the classroom. (Student Regulations (2015) Part B, Article 6.2, section 1 "Academic dishonesty")

**CERTIFICATION:** "In accordance with the Governing Board's 112 certification (2014-15), 25% of the contact hours of this course may be offered, at the discretion of the teacher, using technology or other learning experiences of equal academic quality."

1. Individual assignments that require the search for information from sources outside the resources provided by the UPR.
2. Group assignments requiring meetings and discussion.
3. Preparation of written and oral reports.
4. Preparation special works (online).
5. Test outside of class hours.
6. Exercises prepared by the professor.
7. Book exercises and reference material.

## **INSTRUCTIONAL STRATEGIES**

The course is conceptual and analytical. In order to achieve the objectives, a combination of the following techniques will be used:

1. Lectures
2. Reading the text and other sources, prior to the classroom attendance
3. Presentation of situations that generate discussion, structured or informal accounting problems, news and international articles
4. Visit of professionals to the classroom
5. Computer-assisted instruction
6. Works that will require access to information through internet
7. Oral or written presentations
8. Discussion of short tests
9. Works in teams

## **EVALUATION STRATEGIES**

### **ASSESSMENT ACTIVITIES**

Tests

Projects and Workshops

Research

## **GRADES SCALE**

100-90 A

89- 80 B

79-70 C

69-60 D

59-0 F

The final note of the class will take into account:

1. The results obtained in the Assessment Activities.
2. Attendance
3. Participation in class in discussion of problems and topics participation in teamwork. Students will, in coordination with their professor, make the necessary accommodations to include students with disabilities. A differentiated assessment will be made to students with special needs. This means that the assessment that is used for students with special needs will respond to the particular need of the student.

***This Syllabus is subject to change***