### **. - Accounting and Financial statements**

### Prof. Marco Angelo Marinoni

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to offer students the necessary competences to draft, understand and read the financial statements of an operating business. Starting from the economic exchange, all the accounting issues relating to the most important management events will be analysed; then the most significant items of the financial statements will be evaluated according to the civil code and national accounting principles, in order to determine the income and assets of the operating company.

At the end of the course, students will be able to:

- Detect the elements constituting the business system to analyse its relationships.

- Acquire a general view of the entire operating process of the company and grasp the importance of identifying, representing and documenting corporate information flows.

- Understand the difference between the financial aspect and the economic aspect of business.

- Draw up the Double Entry records (D.E.) of the various management facts.

- Draw up the D.E records relating to settlement, epilogue, closure and reopening operations.

- Draw up the Balance Sheet, Income Statement and Explanatory Note based on civil law, and understand the meaning and content of the Management Report.

- Apply the evaluation criteria provided for by the Civil Code with reference to the elements of the Company assets and identify the scope of application of the national accounting standards.

***COURSE CONTENT***

The course content is divided into four teaching sections, however the first two will be studied in depth in the first semester called "Financial accounting", while the remaining two will be the topics of the second semester called "Financial statements". Following, the details:

Semester I, "Financial accounting"

### The detection of values according to the double entry method

* corporate surveys: generalities and meaning:
* account and registration rules;
* establishment of the company;
* purchase of production factors and services and their regulation;
* sale of goods, provision of services and their regulation;
* transactions with banks;
* financing in companies;
* sale of capital goods;
* employees;
* other financial year operations;
* changes in share capital;

### 2) The synthesis of values according to the double entry methodology

* accounting situations;
* completion entries;
* integration entries;
* adjustment entries;
* depreciation entries;
* epilogue and closing entries;
* construction of the period summaries: Balance Sheet and Income Statement.

Semester II, "Financial statements"

### 3) The recovery of values in the name of business continuity

* function of the reopening of accounts records;
* opening balance;
* initial deferrals;
* initial accruals;
* use of provisions for risks and charges;
* allocation of profit and coverage of year loss;
* minor systems.

### 4) Budget evaluations

* the budget as a management and information tool;
* general postulates of the financial statements provided for by the Civil Code;
* national accounting standards;
* international accounting standards (overview);
* the statutory balance sheet;
* the statutory income statement;
* the Explanatory Note;
* annexes to the financial statement;
* evaluations in the financial statement;
* valuation of fixed assets;
* valuation of inventories;
* valuation of credits and debts;
* valuation of financial assets;
* valuation of credits and debts in foreign currency;
* valuation of titles;
* valuation of provisions for risks and charges
* composition, formation and characteristics of the various items that make up shareholders' equity;
* reserves and company self-financing.

***READING LIST***

P. Andrei-A.M. Fellegara, *edited by*, *Contabilità generale e bilancio d’impresa,* Giappichelli, Turin, 2020, latest ed.

Course packs prepared by the lecturer.

National accounting standards (any edition as long as updated).

Civil Code (any edition as long as updated).

Other teaching material will be provided during the course.

Recommended textbooks for further study

S. Azzali (*edited by*). *Financial reporting and Accounting standards,* Giappichelli, 2021, 3rd edition.

C. Teodori, *Analisi di bilancio. Lettura e interpretazione,* Giappichelli, 2017, latest edition.

***TEACHING METHOD***

The teaching method of the course includes lectures and guided exercises on business cases relating to identification and valuation problems, as well as the representation of equity and income elements in the financial statements.

***ASSESSMENT METHOD AND CRITERIA***

Assessment of the achievement of the learning outcomes will be based on a written test, divided into:

* exercises on the techniques of recording administrative facts and creating financial statements to determine competencies (10 points);
* operational situations to determine the ability to choose and apply the theoretical-evaluation principle to be applied (10 points);
* single-choice questions to verify theoretical knowledge of the topics covered (10 points).

***NOTES AND PREREQUISITES***

Since it is an introductory course, there are no content-related prerequisites for attending the course.

Information on office hours available on the teacher's personal page at <http://docenti.unicatt.it/>.