

ACCOUNTING AND FINANCIAL REPORTING II

Code: 12801

Main Scientific Area: Accounting and Financial Reporting

Lecturer: Ricardo de Antas de Barros Carvalho de Oliveira

Language of Instruction: Portuguese

Regime: S2

Contact Hours: 60h Total Workload: 108h

ECTS: 6,0

Objectives

With this course aims to provide knowledge to the understanding and interpretation of national accounting standards in force in Portugal – Accounting Standardization System (SNC), particularly regarding transactions involving equity as well as the accounting framework related to the accounting of financial investments.

It is also intended to provide students with regard to compliance with obligations of financial reporting by the entities imposed by law, under the SNC, of the Companies Code (CSC) and the Commercial Registry Code (CRC).

Learning Outcomes

At the end of this course students should be able to:

- a) Identify the different types of association between entities and the related appropriate accounting framework describing the various possible/mandatory methods of accounting for the specific situation;
- b) Perceive and distinguish the concepts of social capital, equity, reserves, results, and some related figures;
- c) Perceive the accounting of certain accounting events directly in equity;
- c) To frame, in terms of corporate law, the social obligations of the entities and their managers in relation to the maintenance and conservation of the capital and equity;
- d) Understand the obligations of the entities in terms of rendering of accounts in accordance with the corporate and commercial legislation in force.

Course Contents

1. Accrual basis (economic periodisation)
2. Revenue and construction Contracts
 - 2.1. Sale of goods and rendering of services
 - 2.2. Construction Contracts
3. Leases

- 3.1. Finance leases
- 3.2. Operating leases
- 4. Employee benefits
- 5. Provisions, contingent liabilities and contingent assets
- 6. Transactions with Equity
 - 6.1. Concept of equity and capital
 - 6.2. Capital and other similar items. Reserves and period results.
 - 6.3. Other changes in equity
- 7. Accounting for Government grants and disclosure of Government assistance
- 8. Financial investments
 - 8.1. Equity method
 - 8.2. Other methods
- 9. Financial reporting according to the accounting standardization system (SNC)
 - 9.1. Assumptions in the preparation of the financial statements
 - 9.2. The financial statements
- 10. Financial reporting and commercial law
 - 10.1. The management report and additional documents of accountability (according to the portuguese corporate law, CSC).
 - 10.2. The deposit of the documents of accountability (according to the portuguese Commercial Registry Code)

Recommended Bibliography

Araújo, Duarte Nuno, Novais, José e Cardoso, Patrícia (2013). Manual de Prestação de Contas nas Sociedades Comerciais – O Processo de Relato Financeiro em SNC, 3.ª Edição, Grupo Editorial Vida Económica, Porto.

Caiado, Pires, Madeira Paulo e Viana, Luís Filipe (2011). Relato Fiscal e Financeiro no Encerramento de Contas, 1.ª Edição, Áreas Editora, Lisboa.

Borges, António; Gamelas, Emanuel; Martins, Manuela; Magro, Nuno; Ferreira, Pedro António; Rodrigues, José Pinhão (2012). SNC – Casos práticos, 2.ª edição, Áreas Editora.

Costa, Carlos Baptista; Alves, Gabriel Correia (2021). Contabilidade Financeira, 10.ª edição, Rei dos Livros.

Gameiro, António; Pimentel, Liliana; Moita da Costa, Nuno; Moita da Costa, Belmiro (2021). SNC – Análise das Demonstrações Financeiras, 1.ª edição, Editora Almedina.

Gonçalves, Cristina; Santos, Dolores; Rodrigo, José; Sant'Ana Fernandes (2020). Contabilidade Financeira Explicada – Manual Prático, 4.ª edição, Vida Económica.

Gonçalves, Cristina; Santos, Dolores; Rodrigo, José; Sant'Ana Fernandes (2016). Relato Financeiro: Interpretação e análise, 3.ª edição, Vida Económica.

Monteiro, Albertina Paula; Cêpeda, Catarina; Silva, Amélia; Soares, Regina (2023). Relato Financeiro – Demonstrações financeiras de finalidades gerais, 1.ª edição, Vida Económica.

Sistema de Normalização Contabilística (SNC) – 6.ª edição, 2016, Porto Editora.

Learning and Teaching Methods

The contents are defined with relation to the objectives to be obtained within this curricular unit, as well as the competencies to be acquired by the students.

The consistency of these two parameters is exemplified in the next paragraphs.

Initially, some basic principles and concepts will be reviewed, highlighting the Portuguese mandatory accounting system and its connection to Companies Law.

The first two chapters are dedicated to accruals, revenue and construction contracts, following on from the subject taught in Accounting and Financial Reporting I. The third, fourth and fifth chapters deal with leases, employee benefits and provisions, contingent liabilities and contingent assets.

The sixth and seventh chapters are dedicated to the study of some items of equity, examining the provisions contained in the Portuguese accounting standards system, combined with the legal provisions within the Portuguese Companies Law, providing students the competencies to understand and interpret the relationship between equity items and between equity and the remaining elements of the balance sheet.

The chapter eight is dedicated to the study of specific provisions of the Accounting Standardization System and of the Companies Law concerning the recognition of financial investments in separate financial statements.

The ninth chapter is dedicated to the study of specific provisions of the Accounting Standardization System, concerning the presentation of financial statements, providing students the competencies to understand and interpret the pillars of financial reporting.

The last chapter stress the relevance of the provisions of the Companies Law and of the Commercial Registry Law, concerning the accountability procedures, in relation with the preparation and the elaboration of the different documents, as well as the need for deposit. At the end of the semester, students must have acquired the basic knowledges required for the interpretation and implementation of Portuguese accounting standards, articulated with Portuguese Companies Law, concerning financial reporting.

Assessment Methods

Students will be submitted to a continuous evaluation. The final classification result of the evaluation through two written tests with a weighting of 50% each.

For to have approval in this curricular unit, students should have, in each one of the written examinations, a minimum classification of 7,5 points (in a scale ranging from 0 to 20), and, the average classification should be

greater than 9,5 points (in a scale ranging from 0 to 20).

When students have not approval in the continuous evaluation, they will have to do a final written examination in the exams season.

In the exams season, the final classification will be the global result of the written examination.