

# Accounting (Spring)

Instructor: Prof. Clemence Garcia

*Required (1<sup>st</sup> yr.) / Basic Subjects / 2 credits*

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The course will explain the basic rules and principles underlying IFRS (International Financial Reporting Standards). We will start with the study of disclosure rules, like the format of financial statements and the main concepts in the conceptual framework. In this part, we will use the financial statements of H&M and Fastretailing as case studies.

Then, we will go on with the assessment of assets and liabilities, focusing on the use of fair value and its economic consequences. Themes reviewed in the second part of the course will include financial instruments, tangible fixed assets, intangible assets, and pension liabilities. Case studies will include LVMH, Huawei, Softbank and LG.

## **Course Plan:**

No.1 Disclosure 1: introduction to IFRS

No.2 Disclosure 2: the four financial statements

Case study: H&M

No.3 Disclosure 3: statement of financial position

No.4 Disclosure 4: income statement

No.5 Disclosure 5: cash flows statement

No.6 Disclosure 6: net income and comprehensive income

No.7 Comprehensive case study 1: Fastretailing

No.8 Comprehensive case study 2: comparing companies using financial statements

No.9 Discussion theme 1: pension liabilities

No.10 Discussion theme 2: financial instruments

No.11 Discussion theme 3: tangible fixed assets

No.12 Discussion theme 4: intangible assets

No.13 Discussion theme 5: volatility and procyclicality

No.14 Conclusion

Other Coursework will consist in a summary of class discussion about one of the five themes above.

## **Method of Evaluation:**

50% attendance and participation

50% coursework

## **Textbooks:**

No textbook required. Teaching material is available on Keio.jp website.

## **Lecturer's Comments to Students:**

IFRS are used worldwide by multinational companies of various industries. In Japan, IFRS are not mandatory, but 140 of the largest listed companies have adopted them voluntarily. This course will provide you an opportunity to become familiar with IFRS and their economic consequences for multinational companies.

There is no bookkeeping or accounting prerequisite. Students are expected to participate actively in class.

## **Questions/Comments:**

Questions and comments are welcome during and after the class.

Students can also contact me by email.