

## Course Syllabus

| Title of the course part                        | <b>Introduction to Financial Accounting</b>   |                     |                |           |                     |
|---|---|---------------------|----------------|-----------|---------------------|
| Title of the Academic Programme                 | Master's program «Finance»  |                     |                |           |                     |
| Type of the course                              | Optional  |                     |                |           |                     |
| Prerequisites                                   | ---   |                     |                |           |                     |
| ECTS workload                                   | 2   |                     |                |           |                     |
| Total indicative study hours                    | Directed Study  | Self-directed study | Total          |           |                     |
|   | 16  | 60                  | 76             |           |                     |
| Course Overview                                 | This is an introductory course serves as a pre-requisite for Financial Accounting and Financial Analysis course. The aim of this course is to learn about accounting as an information and communication function that supports the management planning, control and decision-making processes integral to achieving organizational objectives. The course should help students perform financial analysis, derive information for organizational decisions and understand business transactions.   |                     |                |           |                     |
| Intended Learning Outcomes (ILO)                | <p>The aim of the course is to provide students with the basic theoretical knowledge and practical skills in financial accounting in accordance with International Financial Reporting Standards.</p> <p>On completion of this course students should be able to:</p> <ul style="list-style-type: none"> <li>• Have an idea about the place and the role of financial accounting in the system of management of the economic entity;</li> <li>• Understand the conceptual framework of accounting and the purpose, structure and content of the financial reporting in the modern market economy;</li> <li>• Understand the essence of accounting terms and to use them properly;</li> <li>• Have basic practical skills in financial reporting under International Financial Reporting Standards;</li> <li>• Use strong analytical skills and apply them to solve practical problems;</li> <li>• Demonstrate an innovative, open and ethical mindset.</li> </ul> |                     |                |           |                     |
| Teaching and Learning Methods                   | The course consists of lectures (16 hours) and tutorials (16 hours). The tutorials involve exercises and tests.   |                     |                |           |                     |
| <b>Content and Structure of the Course Part</b> |   |                     |                |           |                     |
| №   | Topic / Course Chapter  | Total               | Directed Study |           | Self-directed Study |
|   |   |                     | Lectures       | Tutorials |                     |
| 1   | Topic 1. WHAT IS ACCOUNTING AND IT'S ROLE IN BUSINESS   | 14                  | 0              | 2         | 12                  |
| 2   | Topic 2. FINANCIAL STATEMENTS: DEFINITIONS AND STRUCTURE  | 16                  | 0              | 4         | 12                  |
| 3   | Topic 3. BASIC ACCOUNTING CONCEPTS  | 16                  | 0              | 4         | 12                  |
| 4   | Topic 4. THE BOOKKEEPING  | 16                  | 0              | 4         | 12                  |

|                              |  |           |          |           |           |
|------------------------------|--|-----------|----------|-----------|-----------|
|                              | PROCESS AND TRANSACTION ANALYSIS                               |           |          |           |           |
| 5                            | Topic 5. COMMUNICATING AND INTERPRETING ACCOUNTING INFORMATION | 14        | 0        | 2         | 12        |
| <b>Total volume of hours</b> |  | <b>76</b> | <b>0</b> | <b>16</b> | <b>60</b> |

| Indicative Assessment Methods and Strategy | <p>Students' progress during the course is monitored by tests. The final grade consists of the results obtained during the course. The tests will not be taken after the deadline. Final deadline for all tests is assigned by the course instructor. The final exam will take the form of a 2-hour closed book written test. The exam test consists of questions and tasks.</p> <p>Assessment of academic progress:</p> <table border="1"> <thead> <tr> <th><i>Type</i></th> <th><i>Weight in the course grade</i></th> <th><i>Description</i></th> </tr> </thead> <tbody> <tr> <td>Test 1</td> <td>10 %</td> <td>Individual, in-class, open book</td> </tr> <tr> <td>Test 2</td> <td>10 %</td> <td>Individual, in-class, open book</td> </tr> <tr> <td>Test 3</td> <td>10 %</td> <td>Individual, in-class, open book</td> </tr> <tr> <td>Test 4</td> <td>10 %</td> <td>Individual, in-class, open book</td> </tr> <tr> <td>Test 5</td> <td>10 %</td> <td>Individual, in-class, open book</td> </tr> <tr> <td>Final test</td> <td>50 %</td> <td>Individual, in-class, closed book</td> </tr> <tr> <td>Total</td> <td>100 %</td> <td></td> </tr> </tbody> </table> <p>Conversion scale for percent into grades:</p> <table border="1"> <thead> <tr> <th>Grade</th> <th>Percentage (%)</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0-4</td> </tr> <tr> <td>1</td> <td>5-14</td> </tr> <tr> <td>2</td> <td>15-24</td> </tr> <tr> <td>3</td> <td>25-34</td> </tr> <tr> <td>4</td> <td>35-44</td> </tr> <tr> <td>5</td> <td>45-54</td> </tr> <tr> <td>6</td> <td>55-64</td> </tr> <tr> <td>7</td> <td>65-74</td> </tr> <tr> <td>8</td> <td>75-84</td> </tr> <tr> <td>9</td> <td>85-94</td> </tr> <tr> <td>10</td> <td>95-100</td> </tr> </tbody> </table> <p>Grades where the tenth decimal place (0.1) is 5 or higher will be rounded up to the next whole number – e.g., a grade of 74.5 will be rounded up to 75. Otherwise, grades will rounded down to the next whole number – e.g., a grade of 74.4 will be rounded down to 74.</p> <p>All students will be required to take the final exam.</p> | <i>Type</i>                       | <i>Weight in the course grade</i> | <i>Description</i> | Test 1 | 10 % | Individual, in-class, open book | Test 2 | 10 % | Individual, in-class, open book | Test 3 | 10 % | Individual, in-class, open book | Test 4 | 10 % | Individual, in-class, open book | Test 5 | 10 % | Individual, in-class, open book | Final test | 50 % | Individual, in-class, closed book | Total | 100 % |  | Grade | Percentage (%) | 0 | 0-4 | 1 | 5-14 | 2 | 15-24 | 3 | 25-34 | 4 | 35-44 | 5 | 45-54 | 6 | 55-64 | 7 | 65-74 | 8 | 75-84 | 9 | 85-94 | 10 | 95-100 |
|--|--|-----------------------------------|-----------------------------------|--------------------|--------|------|---------------------------------|--------|------|---------------------------------|--------|------|---------------------------------|--------|------|---------------------------------|--------|------|---------------------------------|------------|------|-----------------------------------|-------|-------|--|-------|----------------|---|-----|---|------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|---|-------|----|--------|
|  | <i>Type</i>  | <i>Weight in the course grade</i> | <i>Description</i>                |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
|  | Test 1   | 10 %                              | Individual, in-class, open book   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
|  | Test 2   | 10 %                              | Individual, in-class, open book   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| Test 3                                     | 10 %   | Individual, in-class, open book   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| Test 4                                     | 10 %   | Individual, in-class, open book   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| Test 5                                     | 10 %   | Individual, in-class, open book   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| Final test                                 | 50 %   | Individual, in-class, closed book |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| Total                                      | 100 %  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| Grade                                      | Percentage (%)   |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 0  | 0-4  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 1  | 5-14   |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 2  | 15-24  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 3  | 25-34  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 4  | 35-44  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 5  | 45-54  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 6  | 55-64  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 7  | 65-74  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 8  | 75-84  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 9  | 85-94  |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |
| 10   | 95-100   |                                   |                                   |                    |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |        |      |                                 |            |      |                                   |       |       |  |       |                |   |     |   |      |   |       |   |       |   |       |   |       |   |       |   |       |   |       |   |       |    |        |

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| Readings / Indicative Learning Resources | <p><u>Mandatory</u></p> <ol style="list-style-type: none"> <li><a href="https://ru.coursera.org/learn/wharton-accounting">https://ru.coursera.org/learn/wharton-accounting</a></li> <li>Guruprasad Murthy. Financial Accounting. 1<sup>st</sup> ed. Global Media, 2008<br/>Electronic access: <a href="https://ebookcentral.proquest.com/lib/hselibrary-ebooks/reader.action?docID=3011255&amp;ppg=1">https://ebookcentral.proquest.com/lib/hselibrary-ebooks/reader.action?docID=3011255&amp;ppg=1</a></li> </ol> |
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|                                      |   |            |              |
|--------------------------------------|---|------------|--------------|
|                                      | <u>Optional</u><br>1. Robert Libby, Patricia Libby, Frank Hodge. Financial Accounting. 9th Global Edition. McGraw-Hill Education, 2016.<br>2. <a href="http://www.principlesofaccounting.com">http://www.principlesofaccounting.com</a><br>3. <a href="http://www.ifrs.org">http://www.ifrs.org</a><br>4. <a href="http://www.gaap.ru">http://www.gaap.ru</a> |            |              |
| Indicative Self- Study Strategies    | <b>Type</b>   | <b>+/-</b> | <b>Hours</b> |
|                                      | Reading for seminars / tutorials (lecture materials, mandatory and optional resources)  | +          | 15           |
|                                      | Assignments for seminars / tutorials / labs   | +          | 15           |
|                                      | E-learning / distance learning (MOOC / LMS)   | -          | 15           |
|                                      | Fieldwork   | -          | 0            |
|                                      | Project work  | -          | 0            |
|                                      | Other (please specify)  | -          | 0            |
|                                      | Preparation for the exam  | +          | 15           |
| Academic Support for the Course Part | Academic support for the course is provided via LMS, where students can find: guidelines and recommendations for doing the course; guidelines and recommendations for self-study; samples of assessment materials   |            |              |
| Facilities, Equipment and Software   | ----  |            |              |
| Course Instructors                   | Associate Professor Yulia S. Leevik   |            |              |

### Intended Learning Outcomes (ILO) Delivering

| Programme ILO(s)   | Course ILO(s)   | Teaching and Learning Methods for delivering ILO(s)  | Indicative Assessment Methods of Delivered ILO(s)   |
|--|---|--|---|
| LO1 Understand the challenges of uncertain economic environment, assess them and take appropriate financial and investment decisions | <ul style="list-style-type: none"> <li>• Have an idea about the place and the role of financial accounting in the system of management of the economic entity;</li> </ul>   | <ul style="list-style-type: none"> <li>• Individual problem solving</li> <li>• Discussion of real-time issues using terms and concepts studied in class</li> <li>• Case studies</li> <li>• Group tasks</li> <li>•</li> </ul> | <ul style="list-style-type: none"> <li>• In-class quizzes</li> <li>• Exam</li> <li>• Cases</li> <li>• Presentation</li> </ul> |
| LO2 Demonstrate deep knowledge and critical understanding of theories, principles, concepts and methodologies in finance             | <ul style="list-style-type: none"> <li>• Understand the conceptual framework of accounting and the purpose, structure and content of the financial reporting in the modern market economy;</li> <li>• Understand the essence of accounting terms and</li> </ul> |  |   |

|  |  |  |  |
|--|--|--|--|
|  | <p>to use them properly;</p> <ul style="list-style-type: none"> <li>• Have basic practical skills in financial reporting and interpreting accounting information under International Financial Reporting Standards;</li> <li>• Use strong analytical skills and apply them to solve practical problems;</li> <li>• Demonstrate an innovative, open and ethical mindset.</li> </ul> |  |  |
|--|--|--|--|

## **Course Content**

### **Introduction**

#### **Topic 1. What is Accounting and its role in business**

1. Definition of accounting
2. Users of accounting information
3. Types of accounting
4. International accounting standardization

#### **Topic 2. Financial statements: definitions and structure**

1. Balance sheet
2. Income statement
3. Statement of changes in owner's equity
4. Cash flow statement
5. Financial statement relationships

#### **Topic 3. Basic accounting concepts**

1. Concepts related to the entire model
2. Concepts related to transactions
3. Concepts related to bookkeeping procedures
4. Concepts related to financial statements

#### **Topic 4. The bookkeeping process and transaction analysis**

1. The accounting equation – a mechanical key
2. How transactions impact the accounting equation
3. Bookkeeping procedures
4. Transaction Analysis Methodology

#### **Topic 5. Communicating and interpreting accounting information**

1. Players in the accounting communication process
2. A question of ethics
3. The disclosure process
4. Differenced in accounting: international prospective

## Assessment Methods and Criteria

### Assessment Methods

| Types of Assessment  | Forms of Assessment | Modules |   |   |   |
|----------------------|---------------------|---------|---|---|---|
|                      |                     | 1       | 2 | 3 | 4 |
| Formative Assessment | Tests               | *       |   |   |   |
| Summative Assessment | Exam                | *       |   |   |   |

### Assessment Criteria

#### Written Assignments (Tests, Written Exam)

| Grades               | Assessment Criteria   |
|----------------------|---|
| «Excellent» (8-10)   | Has a clear argument, which addresses the topic and responds effectively to all aspects of the task. Fully satisfies all the requirements of the task; rare minor errors occur.   |
| «Good» (6-7)         | Responds to most aspects of the topic with a clear, explicit argument. Covers the requirements of the task; may produce occasional errors.  |
| «Satisfactory» (4-5) | Generally addresses the task; the format may be inappropriate in places; display little evidence of (depending on the assignment): independent thought and critical judgement include a partial superficial coverage of the key issues, lack critical analysis, may make frequent errors. |
| «Fail» (0-2)         | Fails to demonstrate any appropriate knowledge.   |

#### Recommendations for students about organization of self-study

Self-study is organized in order to:

- Systemize theoretical knowledge received at lectures;
- Extending theoretical knowledge;
- Learn how to use legal, regulatory, referential information and professional literature;
- Development of cognitive and soft skills: creativity and self-sufficiency;
- Enhancing critical thinking and personal development skills;
- Development of research skills;
- Obtaining skills of efficient independent professional activities.

Self-study, which is not included into a course syllabus, but aimed at extending knowledge about the subject, is up to the student's own initiative. A teacher recommends relevant resources for self-study, defines relevant methods for self-study and demonstrates students' past experiences. Tasks for self-study and its content can vary depending on individual characteristics of a student. Self-study can be arranged individually or in groups both offline and online depending on the objectives, topics and difficulty degree. Assessment of self-study is made in the framework of teaching load for seminars or tests.

In order to show the outcomes of self-study it is recommended:

- Make a plan for 3-5 presentation which will include topic, how the self-study was organized, main conclusions and suggestions and its rationale and importance.
- Supply the presentation with illustrations. It should be defined by an actual task of the teacher.

### **Special conditions for organization of learning process for students with special needs**

The following types of comprehension of learning information (including e-learning and distance learning) can be offered to students with disabilities (by their written request) in accordance with their individual psychophysical characteristics:

- 1) *for persons with vision disorders:* a printed text in enlarged font; an electronic document; audios (transferring of learning materials into the audio); an individual advising with an assistance of a sign language interpreter; individual assignments and advising.
- 2) *for persons with hearing disorders:* a printed text; an electronic document; video materials with subtitles; an individual advising with an assistance of a sign language interpreter; individual assignments and advising.
- 3) *for persons with muscle-skeleton disorders:* a printed text; an electronic document; audios; individual assignments and advising.