APPROVED BY
THE STUDY COMMISSION
Minutes No. 02-12-2026-02
as of 15th January 2026

FINANCIAL ACCOUNTING

Course code	*FIN101*
Compulsory in the programmes	*Finance, International Business Communication*
Level of studies	*Undergraduate*
Number of credits	*6 ECTS (44 in-class hours + 2 consultation hours + 4 exam hours, 112 individual work hours)*
Course coordinator (title and name)	*Dmitrij Katkov, CFA, PhD*
Prerequisites	*Principles of Finance*
Language of instruction	*English*

THE AIM OF THE COURSE:
This course aims to provide the knowledge and practical skills required to understand and analyze a company's financial information. The course adopts a decision-maker perspective of accounting by emphasizing the relation between accounting data and the underlying economic events that generated them. The course focuses initially on how to record economic events in the accounting records and how to prepare and interpret the primary financial statements that summarize a firm's economic transactions

MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives, BMM	Degree level learning objectives, BSS	Assessment methods	Teaching methods
CLO1. To identify the essential accounting features, goals and be able to implement them. To be able to read, understand and examine the data in the annual report, to explain the key components in the financial statements.	BLO1.1	ELO1.1	Mid-term exam	Lectures, seminars, self-study
CLO2. To understand accounting process and its organization procedures, to explain the difference between cash-based and accrual accounting.	BLO1.2	ELO1.2	Mid-term exam	Lectures, self-study
CLO3. To prepare financial statements and acquire knowledge and practical skills in keeping accounting in the companies.	BLO1.2, BLO4.1	ELO1.2, ELO4.1	Mid-term exam	Lectures, self-study
CLO4. To be able to account income, expenses, long-term and short term assets, equity, and liabilities. To apply financial statements correction factors. To be able to distinguish after-balance events and to show them in the financial statements. To record business transactions using financial accounting practices.	BLO1.1	ELO1.1	Final exam	Lectures, solving exercises
CLO5. To be able to select accounting policy distinguishing all four aspects: organizational, technical, methodological, ethical.	BLO1.2; BLO2.1	ELO1.1;	Final exam	Lectures, solving exercises, self-study

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ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

COURSE OUTLINE

Topic	**In-class hours**	**Readings**
The principles of accounting. Accounting as a form of communication	4	1 & 2
Financial statements and the annual report. Processing accounting information	6	2 & 3
Income measurement and accrual accounting	4	4
Inventories and cost of goods sold	4	5
Receivables and short-term investments	4	5
Midterm	2	
Accounting for Various Types of Assets: Fixed and Intangible. Depreciation and amortization	4	7
Current liabilities and contingencies	4	9
Long-term liabilities	4	10
Shareholders’ equity	6	14
Ethics in Accounting: Enron Case	4	Handouts
	Total: 44 hours	
CONSULTATIONS	2	
FINAL EXAM	2	

FINAL GRADE COMPOSITION

Type of assignment	**%**
Individual Components 100%	
Assignment	10%
Midterm examination	40%
Final examination	50%

Total:	**100%**

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

Assignment. The students will work individually to write a review on the documentary.

Mid-term exam. It will take place during the course. Mid-term will cover topics discussed during the classes and will consist of open and close questions as well as exercises. Mid-term exam grade will have 40% impact on the final course grade. Students are recommended to bring calculators.

Final exam. It will cover the last topics in course and will have a 50% impact on the final course grade. Students are recommended to bring calculators

RETAKE POLICY

In case of a negative final grade, students are allowed a re-sit exam. It will cover all course material. The weight of a re-sit is 90%.

REQUIRED READINGS

Needles, B.E., Powers, M & Crosson, S.V., 2022. Financial and Managerial Accounting. Stamford: Cengage Learning.

ADDITIONAL READINGS

Horngren, Charles T., Harrison, Walter T.(2023).Financial Accounting 6th ed.. New Jersy Pearson Printice Hall
International Financial Reporting Standards (IFRS) (www.ifrs.org)
Financial Accounting Standards Board (https://www.fasb.org/home)
Verslo apskaitos standartai (VAS) (www.avnt.lt)

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ANNEX

DEGREE LEVEL LEARNING OBJECTIVES

Learning objectives for the <u>Bachelor of Business Management</u>
Programmes:
International Business and Communication,
Business Management and Marketing, Finance,
Industrial Technology Management

Learning Goals	Learning Objectives
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

Learning objectives for the <u>Bachelor of Social Science</u>
Programmes:
Economics and Data Analytics,
Economics and Politics

Learning Goals	Learning Objectives
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1.Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1.Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2.Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper