Table 5.2. Subject specification

Study program: Bachelor Academic Studies **– Business Economics –** **Module 1 –** *Finance, Banking and Insurance* – **Module 2 –** *Business Economics and Entrepreneurship*
Subject name: Financial Accounting
Teacher(s): Cvetković M. Dragan
Course status: mandatory, second year, third semester
ECTS number: 8
Condition: no
Course objective : The aim of the course is to familiarize students with: -general issues of financial accounting, especially the double-entry bookkeeping system as the most important (accounting) part of financial accounting. These issues relate to the principles and procedures applied in the process of preparing the most important accounting reports, balance sheets and income statements, as well as other types of accounting reports of companies, based on international accounting standards; -by applying the double-entry bookkeeping system in different phases of the company's business cycle (capital acquisition - investment in fixed and working capital - production - sales - collection of receivables - settlement of liabilities), as well as with the calculation of the financial result and the closing of business books, and -the essence of the audit of financial statements.
Course outcome After completing this course, students should be able to: -understand the content, form and significance of the most important accounting reports (balance sheet, income statement, etc.) for the purposes of accounting analysis and planning and to -master the instruments and techniques of recording business changes using the double-entry bookkeeping system, including methods of calculating periodic financial results , analyzing financial results and making valid conclusions and decisions based on them.
Course content *Theoretical teaching* 1. Introduction to accounting (definition; distinction between accounting and bookkeeping; accounting principles; concept of economic or balance sheet changes; preparation of successive balance sheets). 2. Breakdown of the balance sheet into accounts (active and passive accounts; income and expense accounts; closing accounts). 3. Accounting regulations (Part **I** : asset inventory; balance sheet; accounting documentation; journal; general ledger). 4. Accounting regulations (Part **II** : subsidiary books; closing sheet; annual accounts). 5. Chart of accounts and chart of accounts. 6. Financial reporting (principles of valuation of assets, capital and liabilities; types of financial statements - balance sheet, income statement and other financial statements). 7. Audit of financial statements. 8. Obtaining company funds (equity; borrowed capital). 9. Accounting for investments in fixed assets. 10. Procurement of materials and goods. 11. Calculation of costs and expenses. 12. Accounting for income. 13. Determining the financial result (total cost method and cost of goods sold method; application of the method to manufacturing and trading companies). *Practical teaching* Practical teaching is implemented in practice classes. In these classes, the most important terms and concepts of financial accounting that are covered in the theoretical part of the class are explained and discussed, through examples. Students independently, or / and together with the teacher, solve numerical tasks that include recording business changes in different phases of the business cycle of manufacturing and trading companies. The goal of practical teaching is to prepare students as qualitatively as possible for the preparation of the final exam and taking the exam. Evaluation of the implemented teaching and analysis of its results.
Literature: 1. Dyckman, Thomas R., Magee, Robert P., Pfeiffer, Glenn M., Financial Accounting, Cambridge : Cambridge Business Publishers, 2011. 2. Harrison, Walter T.Horngren, Charles T. Financial accounting, Upper Saddle River : Pearson Prentice Hall, 2008.

Number of hours of active teaching	**Theoretical classes:** 45	**Practical classes:** 45

Teaching methods: Theoretical teaching is carried out Ex catedra, which includes interactive communication with students on issues that interest them most. Exercises are based on solving numerical problems, through which students acquire skills in recording various types of business changes in the assets, liabilities and capital of a company. Lectures and exercises are supported by Power Point presentations.
Knowledge score (maximum number of points 100)

Pre-exam obligations	point	**Final exam**	point
activity during the lesson	20	written exam	50
practical teaching		oral exam	
colloquiums	30	....	
seminars			

The methods of knowledge assessment may vary, the table below lists only some options: (written exams, oral exams, project presentations, seminars, etc.)
*maximum required 2 pages in A4 format