



## Course syllabus

School of Business and Economics

Department of Management

2FE085 Bachelor course in Accounting I, 30 högskolepoäng

2FE085 Bachelor course in Accounting I, 30 credits

### **Main field of study**

Business Administration

### **Subject Group**

Business Administration

### **Level of classification**

First Level

### **Progression**

G2F

### **Date of Ratification**

Approved 2017-10-18

Revised 2022-12-05 by School of Business and Economics. Change of department

The course syllabus is valid from spring semester 2023

### **Prerequisites**

The student shall have completed 60 credits within Business Administration, including basic courses in Financial Accounting, Finance and Management Accounting, or the equivalent. English B/English 6 or the equivalent.

## Objectives

### **Module 1: Accounting Theory, 7.5 credits**

After completed module, the student is expected to be able to:

- describe the structure of international standards pertaining to financial accounting (IFRS=International Financial Reporting Standard)
- apply accounting standards for solving accounting problems
- explain principles for valuation and performance measurement within accounting in theory and practice, and apply these principles for assessing accounting problems
- describe the development of theories and research within the accounting field, and apply accounting theories for analysing accounting-related phenomena
- explain the meaning and function of auditing
- carry out and report an assigned project in written and oral form within specified time constraints

## **Module 2: Accounting for Financial Instruments, 7.5 credits**

After completed module, the student is expected to be able to:

- distinguish between and describe the main types of financial instruments in use
- describe and apply the basic models of valuing financial instruments
- describe the basic structure of accounting for financial instruments according to international accounting standards (IFRS)
- apply international accounting standards to account for financial instruments of various types in various situations
- carry out and report assigned projects in written and oral form within specified time constraints

## **Module 3: Advanced Cost Accounting, 7.5 credits**

After completed module, the student is expected to be able to:

- describe cost accounting theory
- reason about cost accounting issues based on cost accounting theory
- apply different methods for short- and long-term cost accounting and assess the relevance of the applied method
- identify the need for various types of information for assessing the relevance of cost accounting methods and assess the suitability of the information
- account for cost accounting practice in Sweden and its historical development
- account for contemporary development tendencies in the area of cost accounting
- identify and, based on cost accounting theory, analyze cost accounting issues and solutions based on reality-based situations in cooperation with other students and within given time constraints present the results both in writing and orally

## **Module 4: Corporate Finance I, 7.5 credits**

After completed module, the student is expected to be able to:

- account for financial theory and methods, and apply these for analyzing and reason on a sophisticated level about financial issues
- perform advanced financial planning for firms based on varying conditions
- account for the basics of international finance and international capital markets
- describe the function and organization of the capital market, from the perspective of firms, the capital market, and society
- account for the basics of cash management, and apply these for optimizing firms' cash flows in varying situations
- apply financial theory and experiential knowledge in order to, within a given timeframe and with a consistently described and executed method, perform valuation of a firm, and present the results in both written and oral form
- carry out an opposition of co-students' reports characterized by a critical and reflective stance

## **Content**

### **Module 1: Accounting Theory, 7.5 credits**

The module contains:

- survey of the impact of international accounting standards (IFRS) on the form and content of financial accounting
- survey of the elements of financial accounting with a focus on the how problems pertaining to them are treated within normative accounting theory and accounting standards

- outline of the development of accounting theory and accounting research
- orientation on the content, structure and execution of auditing

**Module 2: Accounting for Financial Instruments, 7.5 credits**

The module contains:

- survey of main types of financial instruments and accompanying models of valuation
- survey of concepts and accounting standards pertaining to financial instruments
- case studies of accounting for various types of financial instruments in various types of situations

**Module 3: Advanced Cost Accounting, 7.5 credits**

The module contains:

- cost accounting theory pertaining to the long and short term
- methods for investment planning
- cost of capital
- methods for short-term cost accounting
- Activity Based Costing
- cost accounting practice and development tendencies in Sweden
- cost accounting processes in managerial work

**Module 4: Corporate Finance I, 7.5 credits**

The module contains:

- capital markets and the pricing of risk
- optimal portfolio choice and the Capital Asset Pricing Model
- estimating the cost of capital
- investor behavior and capital market efficiency
- capital structure in a perfect market
- debt and taxes
- financial distress, managerial incentives, and information
- payout policy
- capital budgeting and valuation with leverage
- valuation and financial modeling

**Type of Instruction**

**Module 1: Accounting Theory, 7.5 credits**

The teaching consists of lectures and seminars.

**Module 2: Accounting for Financial Instruments, 7.5 credits**

The teaching consists of lectures and seminars.

**Module 3: Advanced Cost Accounting, 7.5 credits**

The teaching consists of lectures and seminars.

**Module 4: Corporate Finance I, 7.5 credits**

The teaching consists of lectures, seminars and practical assignments.

**Concerning all modules:**

Obligatory parts are stated in the schedule.

**Examination**

The course is assessed with the grades A, B, C, D, E, Fx or F.

**Module 1: Accounting Theory, 7.5 credits**

The module is assessed through written exam and a paper project, which is presented at a seminar.

**Module 2: Accounting for Financial Instruments, 7.5 credits**

The module is assessed through written exam and case study assignments presented in written form and discussed at seminars.

**Module 3: Advanced Cost Accounting, 7.5 credits**

The module is assessed through exam and case. There are also seminars where the students present individual case assignments.

**Module 4: Corporate Finance I, 7.5 credits**

The module is assessed through individual case assignments and an individual written exam.

**Concerning all modules:**

The grade A constitutes the highest grade on the scale and the remaining grades follow in descending order where the grade E is the lowest grade on the scale that will result in a pass. The grade F means that the student's performance is assessed as fail.

After each regular examination there will be at least one new examination in close proximity to the date the results of the regular exam were posted. Students who are close to the passing grade of reports can complement after instructions and time-frame given by the examiner to obtain a pass grade.

Grading criteria for the A–F scale are communicated in writing to the student by the start of the module at the latest.

**Course Evaluation**

During the implementation of the course or in close connection to the course a course evaluation is to be carried out. Result and analysis of the course evaluation is to be presented as feedback both to the students who have completed the course and to the students who are to participate on the course the next time it is offered. The course evaluation is to be carried out anonymously.

**Credit Overlap**

The course cannot be included in a degree along with the following course/courses of which the content fully, or partly, corresponds to the content of this course: Module 1: 2FE190, 2FE050, 2FE001, 2FE919, 2FE044:1, 2FE045:1, 2FE046:1 and 2FE086:1 with 100 % each.

Module 2: No overlap.

Module 3: 2FE192, 2FE003, 2FE044:3 with 100% each.

Module 4: 2FE193, 2FE004, 2FE918, 2FE044:4, 2FE045:4 and 2FE086:4 with 100 % each.

**Other**

Degree-seeking students, aiming towards achieving an undergraduate degree, are expected to complete this course and the follow-up course 'Bachelor Course in Accounting Including Degree Project' at Linnaeus University. These two courses combined with a minimum of 120 credits of previous studies, out of which at least 60 credits in Business Administration and 30 credits outside of Business Administration,

might make the student eligible for an undergraduate degree. All students have to apply for a degree upon completion of their studies, and their degree application is evaluated in relation to the local degree regulations at Linnaeus University.

## **Required Reading and Additional Study Material**

### **Module 1: Accounting Theory 7.5 credits**

#### **Required reading**

Bragg, S. M. *IFRS Guidebook. Accounting tools*. Latest edition. About 450 pages.

Deegan, C. & Unerman, J. *Financial Accounting Theory*. McGrawHill. Latest edition. About 580 pages.

International Accounting Standards Board. *IFRS standards (red book)*. IFRS Foundation. Latest edition. (Accounting standard).

Scientific articles. About 80 pages.

### **Module 2: Accounting for Financial Instruments, 7.5 credits**

#### **Required reading**

Bragg, S. M. *IFRS Guidebook. Accounting tools*. Latest edition. About 450 pages.

International Accounting Standards Board. *IFRS standards (red book)*. IFRS Foundation. Latest edition. (Accounting standard).

Scientific articles. About 80 pages.

### **Module 3: Advanced Cost Accounting, 7.5 credits**

#### **Required reading**

Atkinson, A., Kaplan, R., Matsumura, E. & Young, M. *Management Accounting: Information for decision making and strategy execution*. Pearson. Latest edition. About 260 pages.

Berk & DeMarzo. *Corporate Finance*. Pearson Education. Latest edition. About 1160 pages.

Scarborough D.P. & Alpenberg, J. (2014). *Costs: Reduction, Analysis & Measurements*. Sakura House Publications. Etobicoke, Canada. 1046 pages.

Young, M., *Readings in Management Accounting*. Prentice Hall. Latest edition. About 130 pages.

Scientific articles. About 150 pages.

### **Module 4: Corporate Finance I, 7.5 credits**

#### **Required reading**

Berk & DeMarzo. *Corporate Finance*. Pearson Education. Latest edition. About 1160 pages.

Additional study material. About 80 pages.