



COLLEGE OF ACCOUNTANCY AND FINANCE
Study programme “Accounting and Finance”
Study Course Description

Study Course Title	
<i>In Latvian</i>	Finanšu vadības pamati
<i>In English</i>	Introduction to Financial Management
Programme Part	Compulsory general education study course
ECTS	6
<p>Study Course summarized: <i>Students acquire management accounting techniques and learn how to apply them in company management practices, decision making and implementation. Students gain knowledge and professional skills in preparing, analyzing, and evaluating information necessary for company management. Students gain understanding of the nature, importance and methods of financial analysis, and indicators used in financial analysis. Students learn how to calculate and analyze indicators of company funds and their sources, and indicators of the company financial results.</i></p>	
<p>Goal of the Study Course: to master financial management techniques and to learn how to apply them in management, decision making, decision implementation and control of financial results; to learn the basic principles, significance and tasks of cost classifications, accounting and calculation in business organization and management; to learn basic principles of price calculation and profit determination, budgeting and control.</p>	
<p>Tasks of the Study Course</p> <ul style="list-style-type: none"> • To learn similar and dissimilar aspects of financial and management accounting. • To learn to identify, classify and calculate types of costs; • To master several types of cost calculation; To learn how to calculate the breakeven point and how to use it in decision making; • To understand the importance of the budget and basic principles of its planning and control; • To prepare the horizontal and vertical analysis of the profit and loss account and balance sheet; • To prepare estimates to assess the financial position of the company; • To assess the costs important for decision making and make value judgments of investment decisions. 	
<p>Learning outcomes obtained in the result of the study course acquisition:</p> <p>Knowledge:</p> <ul style="list-style-type: none"> • Students understand the theory of management accounting and know how to apply management accounting methods to the business activity and management of a company; • understand the nature of costs and expenses and their classification; • obtain net cost calculation methods using overhead rates, process cost calculation, and net cost calculation of variable costs; • understand the importance of a breakeven (critical) point, and the costs necessary for making decisions; • understand the role of the budget in entrepreneurship, the basic principles of its preparation and control; • are able to perform horizontal and vertical analysis of the income and loss statement and balance sheet; • know the most important ratios for financial analysis for the assessment of the financial position of a company 	
<p>Skills (professional, personal, social):</p> <ul style="list-style-type: none"> • Students able to make calculations, analyze the obtained results, understand and evaluate the causes that have affected business activity and make economically justified proposals to solve problems or improve the situation; 	

- Students are able to solve various tasks independently and in collaboration with the group of fellow students in order to obtain necessary information and prepare horizontal and vertical analysis of company profit and loss statement and balance sheet, calculate financial ratios and analyze them in the report on the financial situation of a selected company providing proposals and making conclusions.

Competencies:

- Students are able to plan tasks in a consistent and responsible way;
- to select information necessary for the task, make calculations, present conclusions and make economically justified proposals;
- to apply the acquired knowledge for the evaluation of production, service provision, sales processes and effective operation of the company;
- to evaluate the financial situation and evaluate possible investments.

Study Course content (themes):

1. The essence and goals of financial management
2. Costs, classification of costs
3. Product cost value calculation
4. Revenue, cost and profit analysis of a company as a business enterprise
5. Breakeven (critical) point
6. Costs important for decision making
7. Budgeting, planning and control
8. Cost and cash flow control and regulation
9. Profit and loss account, horizontal and vertical analysis of a balance sheet
10. Financial ratio analysis
11. Investment decision making

Students' individual work

No.	Individual work: themes, assignments	Proportion in academic hours	Form of reporting
1.	The essence and goals of financial management. Costs, classification of costs. Product cost value calculation. Revenue, cost and profit analysis of a company as a business enterprise. Homework execution. Revision for the progress test	41	Home task Progress test (written)
2.	Breakeven (critical) point. Costs important for decision making. Budgeting, planning and control. Cost and cash flow control and regulation. Homework execution. Revision for the progress test	37	Home task Progress test (written)
3.	Profit and loss account, horizontal and vertical analysis of the balance sheet. Financial ratio analysis. Investment decision making. Homework execution. Pre-exam revision	38	Home task Exam (written)
Total:		116	

The structure of cumulative assessment of students' academic achievement

The final assessment of the study course according to the ten point grading system consists of: independent work evaluation and test work evaluation.

Examination form: Students must **complete** three independently performed (home) assignments and pass a progress test, test and exam

Assessment criteria	Proportion in %	Time limits for completion
Study course final evaluation if the attendance of contact hours is at least 75%		
<ul style="list-style-type: none"> • 50% is based on the average grade for three homework tasks successfully completed during the course. If the homework is submitted after the deadline, but while E-studies channel is open, 	50 %	Within the time limits specified by the lecturer, by the date of the tests

the lecturer has the right to reduce the grade by at least 1 point. If the homework is submitted after the deadline, the reception of homework for E-studies is closed, and the lecturer has to open it again, then the lecturer has the right to reduce the evaluation grade by at least 2 points		
<ul style="list-style-type: none"> 50% consists of successfully passed tests within the course: one progress test, one test and one exam 	50%	According to the timetable of studies
If the attendance of classes is less than 75%, in addition to the above and in agreement with the lecturer, the student must successfully complete additional homework task on topics discussed during contact lessons that the student has not attended in person.		
Language of instruction: English.		
Methods used in study course acquisition: lectures, presentations, practical assignments, E-study-tests, independent work on the study of theoretical literature, homework assignments, progress checks (progress tests, tests, exam), case studies, discussions, team work at lectures		
Basic study literature:		
1. LR Saeima. Gada pārskatu un konsolidēto gada pārskatu likums [tiešsaiste]: likums spēkā ar 01.01.2016. Pieejams: https://likumi.lv/ta/id/277779-gada-parskatu-un-konsolideto-gada-parskatu-likums		
2. Ministru kabineta 22.12.2015. noteikumi Nr.775 “Gada pārskatu un konsolidēto gada pārskatu likuma piemērošanas noteikumi” [tiešsaiste]: spēkā ar 01.01.2016. Pieejams: https://likumi.lv/ta/id/278844-gada-parskatu-un-konsolideto-gada-parskatu-likuma-piemerosanas-noteikumi		
3. Rurāne M. Finanšu pārvaldība un analīze. Rīga: Avots, 2019.		
4. Alsiņa R., Marinska K., Bojarenko J. Vadības grāmatvedība: teorija un prakse. Rīga: SIA KIF „Biznesa komplekss”, 2011.		
5. Pelšs A. Vadības grāmatvedība. I daļa. Izmaksu uzskaitē un pašizmaksas kalkulācija. Rīga: Biznesa komplekss, 2001.		
6. Pelšs A. Vadības grāmatvedība. II daļa. Izmaksu analīze lēmumu pieņemšanai. Rīga: Biznesa komplekss, 2001.		
Additional study literature:		
1. Šneidere R. Finanšu analīzes metodes uzņēmuma maksātspējas prognozēšanai. Rīga: Lietišķais informācijas dienests, 2009.		
2. Januška M. Finanšu un grāmatvedības kontrole firmā: (praktiskas rekomendācijas uzņēmējiem). Merkūrijs Info 2010		
3. Gowthorpe C. Business Accounting and Finance, 4th Ed. Andover UK: Cengage Learning, 2018.		
4. Financial Accounting and Reporting: A Global Perspective, 5th Ed. Andover UK: Cengage Learning, 2019.		
5. Drury C. Management Accounting for Business, 7th Ed. Andover UK: Cengage Learnings, 2018.		
6. Drury C. Management and Cost Accounting, 10th Ed. Andover UK: Cengage Learnings, 2018.		
7. Vītola Ī., Soopa A. Vadības grāmatvedība. Jelgava, 2002.		
8. Добровольский Е., Карабанов Б., Боровков П., Глухов Е., Бреслав Е. Бюджетирование: шаг за шагом. -2е изд. дополн. СПб: Питер, 2014		
9. Друри К. Введение в управленческий и производственный учет. Москва: Аудит; Издательское объединение ЮНИТИ, 1998		
Periodicals and other sources of information:		
1. Žurnāls: Bilance		
2. Žurnāls: iFinanses		
3. Elektronisks žurnāls: ifinanses.lv		
4. Elektroniskais žurnāls: plz.lv		

Changes and additions to the program and the list of references are allowed during the study process

