

PRINCIPLES OF ACCOUNTING

COURSE LEVEL: Bachelor

ECTS CREDITS: 6 ECTS

COURSE COORDINATOR: Marko Hočevar Ph.D.
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COURSE GOALS:

- Understanding the role of accounting in a company
- Presentation of accounting for business transactions
- Presentation of accounting for basic economic categories
- Understanding/reading financial statements
- Introduction to financial analysis and financial statements auditing

COURSE CONTENT:

1. Principles of accounting

2. Principles of bookkeeping

2.1. Bookkeeping

2.2. Bookkeeping process

2.3. Fundamentals of double-entry bookkeeping

2.4. Reports

3. Accounting for basic economic categories

3.1. Assets

3.2. Liabilities

3.3. Revenues

3.4. Costs

3.5. Expenses

3.6. Cash inflows and outflows

3.7 Value added tax

4. Financial Statements

4.1. Annual report

4.2. Balance Sheet

4.3. Income statement

4.4. Cash Flow Statement

4.5. Auditing of financial statements

5. Financial statement analysis

5.1. Horizontal analysis of financial statements

5.2. Vertical analysis of financial statements

5.3. Ratio analysis of financial statements

COURSE WORK PLAN:

Lectures:

- The lecture follows the structure of the presentation (presentation is always available to the students on the website before the lecture), but the actual flow of the lecture is different each time, because emphasis is

placed on discussion and students' participation.

- Integration of relevant contemporary problems from local/global economy into lectures to encourage critical thinking through active discussion.
- Individual or team problem-solving of short problems to test the understanding of the presented concepts.

Exercises:

- A brief summary of the concepts, presented on the last lecture (encouraging maximum students' participation).
- Solving simple, short problems to refresh the basic understanding of the presented concepts.
- Tackling complex cases for in-depth understanding of material - moreover, addressing the same problem in several different ways to understand the links between economic categories discussed.
- We encourage maximum students' participation. Problems are initially solved either individually or in small teams of students. Later, the assistant solves the problem and explains the solution by encouraging students to participate and by developing their ideas.

Discussions on relevant real problems from practice are integrated in both, lectures and exercises. These discussions enable the students to follow their progress and become increasingly involved in active problem-solving.

COURSE GRADE SYSTEM: Examination - conceptual part - 50%
Examination - practical part - 50%