



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Finance Fundamentals (Finance Theory – 5 cr, Accounting – 5 cr)	

Academic staff	Core academic unit(s)
Coordinating: doc. dr. Ieva Bužienė (Finance Theory)	
Other: doc. Ahmad Kaab Omeir (Accounting)	

Study cycle	Type of the course unit
First	Mandatory

Mode of delivery	Semester or period when it is delivered	Language of instruction
Classroom/Online	Autumn (1) semester	English

Requisites	
Prerequisites:	Co-requisites (if relevant):

Number of ECTS credits allocated	Student's workload (total)	Contact hours	Individual work
10	260	100	160

Purpose of the course unit		
<p>To develop students' ability to understand the financial system and the processes taking place within it, as well as the key concepts and terminology of finance used to explain financial phenomena, and to build theoretical and practical corporate finance management skills that enable students to successfully plan, organise, analyse, and evaluate a company's financial activities and make well-founded and reasoned decisions.</p> <p>To provide students with theoretical knowledge of the principles of corporate financial accounting and to develop practical skills applicable to the preparation and presentation of a company's financial information.</p>		
Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
Students will analyse the participants of the financial system and understand and properly apply the most important financial theory models.	Problem-based teaching, independent learning, task solving, case analysis.	Midterm assessment – test
Students will be able to propose solutions to financial situations that correspond to their acquired level of knowledge, discuss their advantages and disadvantages, relate financial concepts and phenomena to one another, and connect them to the decisions being made.	Problem-based teaching, independent learning, task solving, case analysis.	Project work

Understand accounting principles and methods applied in business processes within companies, create economically grounded managerial and other decisions.	Problem-based teaching, independent learning, practical task solving.	Examination
Be able to apply knowledge in the field of corporate accounting by processing, analysing, and evaluating company performance data.	Problem-based teaching, independent learning, practical task solving, data analysis, and interpretation of obtained results.	Project work

Content	Contact hours							Individual work: time and assignments	
	Lectures	Tutorials	Seminars	Workshops	Laboratory work	Internship	Contact hours, total	Individual work	Tasks for individual work
Finance Theory	32	2	16				50	80	
1. Introductory lecture. The essence and functions of finance: The object of finance as a field of study. Definition and origin of finance. Functions of finance. Overview of financial theories. The concept and time value of money.	4		2				6	10	Required reading [Mishkin F.S., Economics of Money, Banking and Financial Markets, Chapters 1–2] and additional reading materials.
2. Financial system: The concept of the financial system. Functions of the financial system. Participants in the financial system.	4		2				6	10	Required reading [Mishkin F.S., Economics of Money, Banking and Financial Markets, Chapters 1–2] and additional reading materials. Problem-solving tasks, case analysis, preparation of project work.
3. Financial markets: Structure of financial markets. Financial market instruments. Financial market equilibrium. Efficient capital market theory, capital pricing models, and information asymmetry.	6		4				10	16	Required reading [Mishkin F.S., Economics of Money, Banking and Financial Markets, Chapter 8] and additional reading materials. Problem-solving tasks, case analysis, preparation of project work.
4. Household finance: Savings, their structure and significance. Household income and expenditure. Financial assets and their types. Interest and dividends. Taxes and their impact on personal finance. Personal financial planning and investment of savings. Theories of personal finance.	4		2				6	10	Required reading [Bikas E., Subačienė R., Keliuotytė-Staniulėnienė G., Astrauskaitė I., Personal Income Taxation, Chapters 2 and 5] and additional

									reading materials. Problem-solving tasks, case analysis, preparation of project work.
5. Public sector finance: The concept of the national budget. Functions and structure of the national budget. Principles of budget formation. Budget classification.	6		2				8	12	Required reading [Butkevičiūtė E., Public Finance, Chapters 2, 3, 4, 6, and 7] and additional reading materials. Problem-solving tasks, case analysis, preparation of project work.
6. Financial risk: Concept of risk, uncertainty, levels, measurement, and classification. Risk identification, analysis, and management.	4		2				6	10	Required reading [M. Cornett, Finance: Applications and Theory, Chapter 9] and additional reading materials. Problem-solving tasks, case analysis, preparation of project work.
7. International financial management: Specific features, levels, and institutions of international finance management.	4		2				6	10	Required reading [M. Cornett, Finance: Applications and Theory, Chapter 19] and additional reading materials. Problem-solving tasks, case analysis, preparation of project work.
8. Preparation for midterm and final assessments		2					2	2	Required reading [Butkevičiūtė E., Public Finance, Chapters 2, 3, 4, 6, and 7] and additional reading materials. Problem-solving tasks, case analysis, preparation of project work.
Accounting	32	2	16				50	80	
1. Concept of accounting. The concept and types of accounting. Users of financial accounting information. Regulation of accounting. General accounting principles.	2		2				4	5	Independent study of literature ([1], pp. 18–51, 61–89; [2], Topics 1–6), case analysis, completion of tasks.
2. Accounting equation. Basic accounting equation, composition of company assets, equity and liabilities, recognition of income and expenses, types of accounting.	5		2				7	11	Case analysis, completion of tasks, preparation for seminars.
3. Accounting cycle. Elements of the accounting method and the accounting cycle: documents and records, accounts and double-entry bookkeeping, adjustments, and financial statements.	5		4				9	12	Case analysis, completion of tasks, preparation for seminars.

Assessment (T1) from Topics 1–3	2						2	10	Revision of study materials, preparation for assessment.
4. Non-current assets. Recognition of non-current assets, accounting for acquisition, depreciation, and write-offs.	3		2				5	9	Independent study of literature ([1], pp. 92–117, 137–145; [2], Topic 9, pp. 124–164), case analysis, completion of tasks.
5. Inventories. Inventory accounting methods and valuation methods, principles of accounting for acquisition and consumption of inventories.	4		2				6	7	Case analysis, completion of tasks, preparation for seminars.
6. Payroll accounting. Working and rest time, payroll regulation, calculation, taxation, and accounting.	2		2				4	6	Independent study of literature ([1], pp. 120–126, Labour Code Sections II–V), completion of tasks.
Assessment (T2) from Topics 4–5	2						2	10	Revision of study materials, preparation for assessment.
7. Financial statements. Preparation of a set of financial statements, key financial statements (balance sheet, profit (loss) statement), evaluation and analysis of the information presented in financial statements.	7		2				9	10	Independent study of literature ([1], pp. 52–61, 142–145), completion of tasks.
Consultation before case analysis		2					2		Preparation for case analysis.
Total	64	4	32				100	160	

Assessment strategy	Weight %	Deadline	Assessment criteria
Finance Theory			
Project Work	20	During the semester	The assessment is based on the originality, creativity, and quality of students' project assignments prepared and presented during seminars, as well as the accuracy of data interpretation.
Midterm Assessment – Test	15	During the semester	The test consists of both open-ended and closed-ended questions, as well as several problem-solving tasks. The evaluation is based on the number of correctly answered questions and properly solved tasks.
Final Exam	15	During the semester	The exam consists of both open-ended and closed-ended questions, as well as several problem-solving tasks. The evaluation is based on the number of correctly answered questions and properly solved tasks.
Accounting			
Test Assessment (T1)	10	During the semester	The test is administered in the Moodle environment and consists of both open-ended and closed-ended questions of varying difficulty levels (from comprehension to evaluation). The grading of questions depends on their complexity. Grading scale: Excellent: 91–100% correct answers. Very good: 81–90% correct answers. Good: 71–80% correct answers.

			Average: 61–70% correct answers. Satisfactory: 51–60% correct answers. Poor: 41–50% correct answers.
Test Assessment (T2)	10	During the semester	The test is administered in the Moodle environment and consists of both open-ended and closed-ended questions of varying difficulty levels (from comprehension to evaluation). The grading of questions depends on their complexity. Grading scale: Excellent: 91–100% correct answers. Very good: 81–90% correct answers. Good: 71–80% correct answers. Average: 61–70% correct answers. Satisfactory: 51–60% correct answers. Poor: 41–50% correct answers.
Independent Work (SD) Assessment in a Virtual Learning Environment	10	During the semester	Independent work consists of theoretical and practical tasks of varying complexity in the e-learning system, related to specific course topics. Grading scale: Excellent: 91–100% correct answers. Very good: 81–90% correct answers. Good: 71–80% correct answers. Average: 61–70% correct answers. Satisfactory: 51–60% correct answers. Poor: 41–50% correct answers.
Case Analysis Assessment (A1)	20		The case analysis consists of an integrated task completed in the Moodle environment. The purpose of the case analysis is to assess the practical application of theoretical knowledge. Grading scale: Excellent: 91–100% correct answers. Very good: 81–90% correct answers. Good: 71–80% correct answers. Average: 61–70% correct answers. Satisfactory: 51–60% correct answers. Poor: 41–50% correct answers.

Author (-s)	Publishing year	Title	Issue of a periodical or volume of a publication	Publishing house or web link
Required reading				
Finance Theory				
M. Cornett, T. Adair, J. Nofsinger	2019	Finance: Applications and Theory	5 th edition	McGraw Hill
Mishkin F. S.	2018	Economics of Money, Banking and Financial Markets	12 th Edition	United States, Pearson
Stephen A. Ross,	2022	Fundamentals of Corporate		McGraw Hill

		Finance.		
Randolph W. Westerfield,	2010	„Principles of Corporate Finance“		McGraw Hill
Accounting				
PLEASE LITERATURE ENGLISH	FILL IN			
Recommended reading				
Finance Theory				
Berk J., Demarzo P.	2019	Corporate Finance	5 th edition	Pearson
Brealey R., Myers S.	2019	Principles of Corporate Finance	13 th Edition	McGraw-Hill Education
Rosen H., Gayer T.	2013	Public Finance	10 th Edition	McGraw-Hill
Kapoor J.H.	2018	Focus On Personal Finance	6 th edition	McGraw-Hill
Accounting				
Dauderis, H., Annand, D.	2019	Introduction to Financial Accounting		Edited by Athabasca University https://lifa1.lyryx.com/textbooks/ANNAND_1/marketing/DauderisAnnand-IntroFinAcct-2019A.pdf