



## SUBJECT (MODULE) DESCRIPTION

Name of the academic subject (module)	Code
<b>Enterprise Budget Management</b>	<b>18-09-2024</b>

Annotation
By studying the subject "Enterprise Budget Management", students will acquire theoretical and practical knowledge in the field of management accounting related to the preparation, control and evaluation of enterprise budgets; they will develop the ability to analyse, plan, control and evaluate the activities of the organisation and to independently develop and manage accounting systems for the preparation of budgets, control of their execution and responsibility. The course will cover how to prepare operating, investment and financial budgets; how to control them through variance analysis; how to set up a responsibility accounting and reporting system; and other issues related to the planning and control of the company's activities.

Staff	Department
<b>Co-ordinator:</b> Assoc prof. dr. Daiva Tamulevičienė <b>Other:</b> Ahmad Kaab Omeir	Faculty of Economics and Business Administration, Department of Accounting and Auditing

Cycle of studies	Type of the subject (module):
First	Compulsory

Form of implementation	Period	Language of instruction
Face-to-face,	Autumn semester (5)	English

Requirements for students			
<b>Prerequisites:</b> Fundamentals of Accounting, Cost Accounting and Management		<b>Additional requirements (if any):</b>	
Volume of the subject (module) in credits	Total student workload	Contact hours	Independent work hours
5	130	48	82

Aims of the subject (module): competences to be built by the study programme
<p>The aim of the course is to provide theoretical and practical knowledge about the preparing of company's budgets, organization of budgetary control, performance evaluation, to develop students' abilities to analyse, plan, control, evaluate company's activity, and shape and manage budgeting, control and responsibility accounting systems.</p> <p>General competences:</p> <p>1.1. Will be able to communicate effectively in writing and oral form, and to convey accounting and financial knowledge to professionals and non-professionals, in line with professional ethics and citizenship.</p> <p>2.2. Will demonstrate creative thinking skills, ability to make innovative decisions.</p>

<p>Professional competencies:</p> <p>3.1. Will have the latest fundamental and applied knowledge in economics, management, finance, accounting and auditing, will know classical and modern theories in the field of accounting, will be able to apply them in interdisciplinary studies and professional sphere in accounting of national and international organizations.</p> <p>3.3. Will know and be able to apply data analysis techniques, compile various reports, taking into account the functions of various accounting types, the overall accounting policy of an organization, information technology, and requirements and methods for providing accounting information to external and internal users.</p> <p>4.2. Will be able to analyse and evaluate various economic and social processes, organizational behaviour and environment, interpret legislation and apply it to compiling of various reports, solution of organizational management and professional problems.</p> <p>5.3. Will be able to analyse, evaluate and forecast organization indicators, identify accounting and financial management problems, choosing complex technological, organizational and methodological measures, applying a systemic and global approach, as well as formulate conclusions, generalizations, proposals.</p>
---

	<b>Intended outcomes of the subject (module)</b>	<b>Study methods</b>	<b>Assessment methods</b>
1.1	Will be able to communicate the indicators and results presented in budgets, their control and performance evaluation reports to accounting/finance professionals and non-professionals at both national and multinational company level.	Interpreting and discussing the results of reports; lectures by social partners from international accounting and audit firms	Mid-term test Exam Active participation in guest lectures, visits, international projects and activities, if any
2.2	Will demonstrate creative thinking skills in selecting appropriate budgets and budget control models; developing a range of internal reports showing the performance of the company's budgets, their control and performance evaluation.	Task solving; preparing of reports; case studies	Mid-term test Exam
3.1	Will know the place of planning, budgeting and control in the decision-making framework of enterprise management. Will know the types of traditional and non-traditional budgets, their possibilities and principles of application.	Lectures; work with scientific literature and sources; discussions; task solving; performance of tasks in a virtual learning environments; flipped classroom methods; lectures by social partners from international accounting and auditing firms	Mid-term test Exam Work in the virtual learning environment (VLE) during the semester Active participation in guest lectures, visits, international projects and activities, if any
3.3	Will be able to apply the methods of collecting, organising and analysing economic and statistical data for the preparation and control of operating, investment and financial budgets, and for transfer pricing in national and multinational enterprises. Will be able to prepare a variety of internal reports in line with the requirements of internal users.	Lectures; seminars; work with scientific literature and sources; preparing of reports; task solving; performance of tasks in a virtual learning environment; individual work; statistical calculations, modelling; lectures by social partners from international accounting and auditing firms	Mid-term test Exam Work in the virtual learning environment (VLE) during the semester Active participation in guest lectures, visits, international projects and activities, if any
4.2	Will be able to choose and apply budget control procedures, perform variance analysis and evaluate results.	Lectures; seminars; preparing of reports; task solving; performance of tasks in a virtual learning environment, individual work; case studies	Mid-term test Exam Work in the virtual learning environment (VLE) during the semester

	Intended outcomes of the subject (module)	Study methods	Assessment methods
5.3	Will be able to forecast the enterprise's operating, financial and investment activities and prepare appropriate budgets. Will be able to develop and manage the enterprise's budgeting, control and responsibility accounting systems.	Lectures; seminars; work with scientific literature and sources; task solving; performance of tasks in a virtual learning environment; individual work; lectures by social partners from international accounting and auditing firms	Mid-term test Exam Work in the virtual learning environment (VLE) during the semester

Themes	Contact hours							Independent work assignments	
	Lectures	Consultations	Seminars	Practical classes	Lab works	E.learning	Total contact hours	Independent work	Assignments
<b>1. Budgeting for planning and control.</b> <i>The place of planning, organization and control in the management system. The essence of budgets and their role in the process of planning and control. Task and objectives of budgets. Functions and features of budgets. Types of budgets.</i>	2						2	8	Work on scientific literature and sources
<b>2. Operating budget.</b> <i>Composition of the company's master budget. Sales and production budgets. Direct materials cost, direct labour cost, manufacturing overheads budgets. Cost of goods manufactured budget, cost of goods sold budget. Sales and administrative expenses budget. Operative activity budgeted income statement.</i>	4		2				6	10	Independent study of literature; tasks solving; performance of self-monitoring tasks in a virtual learning environment
<b>3. Capital investment budget.</b> <i>Capital investment decisions. Simple and discounted capital investment decisions methods. The essence of capital investment budget. Capital investment budget types and stages of budgeting. Review of the investment budget. Risk evaluation. Assessing the impact of inflation.</i>	2		2				4	8	Independent study of literature; tasks solving; performance of self-monitoring tasks in a virtual learning environment
<b>4. Financial forecasting and financial budgeting.</b> <i>Forecasting and planning. Cash budget. Budgeted financial statements: budgeted profit (loss) statement, budgeted balance sheet, budgeted cash flows statement and budgeted statement of changes in equity.</i>	6		4				10	10	Independent study of literature; tasks solving; performance of self-monitoring tasks in a virtual learning environment; budgeted statement formation
<b>Midterm test (themes 1-4)</b>	2						2	8	Preparing for the midterm test
<b>5. Non-traditional (innovative) budgets.</b> <i>The essence of non-traditional budgets, their advantages and disadvantages. Zero based</i>	2		2				4	8	Independent study of literature; tasks solving

Themes	Contact hours							Independent work assignments	
	Lectures	Consultations	Seminars	Practical classes	Lab works	E.learning	Total contact hours	Independent work	Assignments
<i>budgeting. Rolling budgeting. Target budgeting. Activity based budgeting. Beyond budgeting.</i>									
<b>6. Budgetary control.</b> <i>The essence of budgetary control. Types of budgetary control. First level, second level and third level budgetary control. Flexible budget. Standard costing and variance analysis. Sales, direct material cost, direct labour cost, manufacturing overhead variances calculation and analysis. Sales mix variances analysis</i>	6		4				10	12	Independent study of literature; tasks solving; performance of self-monitoring tasks in a virtual learning environment; preparing of reports
<b>7. Responsibility accounting and reporting.</b> <i>The essence of responsibility accounting. Responsibility centres and their types. Responsibility centres reporting. Responsibility centres budgets. Comparison of budgetary and actual indicators of responsibility centres. Performance evaluation tools of cost, revenue, profit and investment centres. Transfer (internal) prices.</i>	4		2				6	8	Independent study of literature; tasks solving; performance of self-monitoring tasks in a virtual learning environment; case study
<b><i>It's planned the participation of social partner</i></b>	2						2		
<b><i>Consultation</i></b>	2						2	4	Preparing for the exam
<b>Final exam (themes 5-7)</b>								6	Preparing for the exam
<b>Total:</b>	<b>32</b>		<b>16</b>				<b>48</b>	<b>82</b>	

Assessment strategy	Weight in points	Time of assessment	Criteria of assessment
Midterm test	40	According to schedule	The midterm test consists of closed and open test tasks of various complexity. The midterm test aims to examine students' knowledge of topics 1 to 4 related to the company's budgeting system and to assess the ability to analyse and plan the organization's activities and independently form and manage budget system. <i>Assessment:</i> Excellent: 95-100% answered correctly Very good: 85-94% answered correctly Good: 75-84% answered correctly Average: 65-74% answered correctly Satisfactory: 55-64% answered correctly Weak: 45-54% answered correctly
Work in the virtual learning environment (VLE) during the semester	20	During the semester	Assessable self-monitoring tasks in a virtual learning environment consist of practical tasks on topics 2, 3, 4, 6 and 7 of varying complexity. <i>Assessment:</i>

			<p>Excellent: 95-100% answered correctly          Very good: 85-94% answered correctly          Good: 75-84% answered correctly          Average: 65-74% answered correctly          Satisfactory: 55-64% answered correctly          Weak: 45-54% answered correctly.</p>
Final exam	40	During the examination period	<p>The exam consists of closed and open test tasks of various complexity. The exam aims to test students' knowledge of topics 5 to 7 related to the company's budget control system and to assess the ability to control and evaluate the organization's activities and independently form and manage budget control and responsibility accounting systems.</p> <p><i>Assessment:</i>          Excellent: 95-100% answered correctly          Very good: 85-94% answered correctly          Good: 75-84% answered correctly          Average: 65-74% answered correctly          Satisfactory: 55-64% answered correctly          Weak: 45-54% answered correctly</p>
Additionally earned grade (on top of 100%)	5	During the semester	<p>Additionally earned grade for active participation in guest lectures, visits, international projects and activities, if any.</p>
Final grade	100		<p>The ultimate result is evaluated in the following way:          95–100 points: 10 (excellent)          85–94: 9 (very good)          75–84: 8 (good)          65–74: 7 (average)          55–64: 6 (satisfactory)          45–54: 5 (weak)          35–44: 4 (unsatisfactory)          25–34: 3 (very unsatisfactory)          15–24: 2 (poor)          0–14: 1 (extremely poor)</p>
Assessment of external examination	100		<p>The exam consists of closed and open test tasks of various complexity. The exam aims to test students' knowledge of topics 1 to 7 related to the company's planning and control system and to assess the ability to analyze, plan, control, evaluate the organization's activities and independently form and manage budgeting, budget control and responsibility accounting systems.</p> <p><i>Assessment:</i>          95–100 points: 10 (excellent)          85–94: 9 (very good)          75–84: 8 (good)          65–74: 7 (average)          55–64: 6 (satisfactory)          45–54: 5 (weak)          35–44: 4 (unsatisfactory)          25–34: 3 (very unsatisfactory)          15–24: 2 (poor)          0–14: 1 (extremely poor)</p>

Author	Year	Title	Volume of the periodical or publication	Place of publishing, publishing house, or Internet reference
<b>Compulsory literature</b>				
S.M. Bragg	2017	Budgeting. A Comprehensive Guide	4 <sup>th</sup> ed.	Accounting Tools
J.K.Shim, J.G.Siegel, A.I.Shim	2012	Budgeting Basics and Beyond	4 <sup>th</sup> ed.	John Wiley & Sons, Incorporated <a href="https://ebookcentral.proquest.com/lib/viluniv-ebooks/reader.action?docID=697749">https://ebookcentral.proquest.com/lib/viluniv-ebooks/reader.action?docID=697749</a>
<b>Supplementary literature</b>				
B.Bogsnes, R.S. Kaplan	2016	Implementing Beyond Budgeting: Unlocking the Performance Potential	2 <sup>nd</sup> ed.	John Wiley & Sons, Incorporated <a href="https://ebookcentral.proquest.com/lib/viluniv-ebooks/reader.action?docID=4573542">https://ebookcentral.proquest.com/lib/viluniv-ebooks/reader.action?docID=4573542</a>
Drury C.	2015	Management and cost accounting	9 <sup>th</sup> (or other editions)	Cengage Learning EMEA
Tamulevičienė D., Subačienė R.	2023	Valdymo apskaita: įmonės išlaidų ir biudžeto valdymas (14–19 skyriai)		Vilnius: Vilniaus universiteto leidykla