



## DESCRIPTION OF THE STUDY SUBJECT (MODULE)

Subject (module) name	Code
Public sector accounting	12-02-2025

Lecturer(s)	Department(s)
<b>Coordinating:</b> Assist. Prof. Dr. Asta Šalienė <b>Other(s):</b>	Faculty of Economics and Business Administration Department of Accounting and Auditing

Degree of study	Subject (module) type
The first	Compulsory

Implementation form	Period of execution	Execution language(s)
Auditorium	Spring (6) semester	Lithuanian English

Requirements for the student	
<b>Pre-requisites:</b> Fundamentals of Accounting	<b>Co-requisites (if any):</b> None

Scope of the subject (module) in credits	Full student workload	Contact hours	Hours of independent work
5	130	48	82

### Purpose of the subject (module): competences developed in the study program

**The course aims** to provide students with systematic knowledge of accounting for public sector entities, from the recording of economic events and transactions to the principles of preparing the entity's financial statement set and data consolidation to the creation of a national set of financial statements in different countries. The principles of organizing accounting in public sector entities, ongoing reform, and international standards will be consistently presented. The imparted knowledge should help understand the flow and methods of recording economic events and transactions in public sector accounting.

Upon reviewing the history, progress, and results of public sector accounting modernization in other countries and the EU, further directions of modernization will be analysed.

#### **General competencies:**

- 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.
- 2.1. Will be able to study independently and take responsibility for continuous learning and professional development in their professional field.
- 2.2. Will demonstrate creative thinking skills and ability to make innovative decisions.

#### **Subject-specific competencies:**

- 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, and will be able to use them in interdisciplinary studies and professional spheres in the accounting of national and international organizations.
- 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 various reports, solutions of organizational management and professional problems.
- 5.1. Will be able to plan, organize, control and evaluate the organization's activities and accounting processes, manage various types of accounting, apply the provisions of the professional code of ethics and accounting regulations, and participate in the formation of the accounting policy for the organization, ensuring the efficiency of the accounting and audit system and the reliability of the information.

The aspirations	Study aspirations of the subject (module)	Study methods	Evaluation methods
1.1.	Will be able to effectively, understandably, ethically and tolerantly cooperate with specialists in their own and other fields to obtain or provide accounting information, will understand their mutual relationships and will be able to convey the information provided in the reports of a public sector entity to different information users.	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam
2.1.	Will be able to independently and continuously learn and update theoretical knowledge and practical information by independently choosing methods and tools for preparing accounting and financial statements of public sector entities and their groups, compiling sets of consolidated financial statements and a set of national financial statements based on public sector accounting and financial statement standards.	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam
2.2.	Demonstrate creative thinking skills: choosing appropriate methods of evaluating and accounting for financial statement elements, compiling financial statements, forming financial and other reports reflecting the use of budget funds, and understanding and adequately evaluating financial results.	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam
3.1	Will learn the classical and contemporary reasons, directions, and concepts behind the development of public sector financial accounting. Will acquire knowledge about the trends in financial accounting and consolidated financial reporting of public sector entities and groups of entities in the world and other EU countries, modernization directions and further development directions of public sector accounting and will be able to formulate proposals for increasing the efficiency of the accounting system and the reliability of information.	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam
3.3.	Will be able to efficiently collect, process and analyse data by identifying problems of accounting and financial (consolidated) reporting of public sector entities groups, critically evaluate collected data and make creative suggestions.	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam
4.2.	Will be able to assess the behaviour of public sector organizations and their environment, understand the differences in applying accounting theories and practices of different entities (public sector entities and profit-making entities), and identify the identities conditioned by different legal acts and national and international accounting standards. Will acquire theoretical knowledge and practical skills to	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam

	independently compile financial and reporting sets at various levels and types.		
5.1.	Will be able to plan and organize the accounting and financial reporting processes of a public sector entity, manage financial accounting by applying the provisions of the Code of Ethics for Professional Accountants and by the legal acts regulating public sector financial accounting; make proposals for increasing the effectiveness of accounting policies and the reliability of information.	Lectures, seminars, solving tasks, preparing and defending projects, discussions, independent work and studying literature.	Student group projects.  Engagement and activity during lectures.  Exam

Topics	Contact hours							Self-study time and tasks		
	Lectures	Consultations	Seminars	Workshops	Lab works	Practice	E-learning	All contact work	Independent study	Tasks
1. Public sector system in different countries. Approaches to public sector accounting and reporting in Europe: scope of reporting units; sources of PSA information; accounting systems and techniques; geographic focus; PSA standards in the EU; reporting units.	2							2	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
2. Specificities of Public Sector Accounting: insights for governmental accounting from history and theory: origins of public sector accounting; specificities of public sector accounting.	2		1					2	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
3. Budgets and budgetary accounting: budgetary accounting in the family of PSA systems; the link between budgeting and accounting; the functions and principles of budgets; traditional annual budgets and modern variants; budget appropriations; accrual budgeting; performance-based budgeting.	2		1					4	7	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
4. Theoretical approaches to financial accounting purposes and principles: accounting theories, conventions, and conceptual frameworks.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.

Topics	Contact hours							Self-study time and tasks		
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										To prepare a project and its presentation within a student group.
5. Different Perspectives in Public Sector Accounting Harmonisation (IFRS, IPSAS): harmonisation of the private sector accounting system; harmonisation of the public sector accounting system; harmonisation of Government Finance Statistics; the link between accruals accounting/IPSAS and statistics.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
6. IPSAS: History, spread and use: transnational regulation; stages of the IPSASB evolution; advancing our understanding of the spread of IPSAS; challenges in IPSAS adoption.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
7. The IPSASB’s conceptual framework and views on selected national frameworks: the role of the conceptual framework versus the public sector accounting standards; the IPSASB’s conceptual framework; comparative analysis of different conceptual frameworks; developments in the IPSASB’s conceptual framework – work in progress.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
8. Reporting components and reliability issues: The context of GPFR; GPFR components; comparative analysis; Statement of financial performance; Statement of changes in Net Assets; Cash Flow Statement; GPFR reliability issues: the importance of auditing.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
9. Overview of IPSAS on public sector-specific topics: introduction and background; selected Public Sector Specific IPSASs; accounting for property, plant and equipment; accounting for revenue from non-	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions

Topics	Contact hours							Self-study time and tasks		
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exchange transactions; accounting for non-exchange expenses; accounting for service concession arrangements: grantor.										on the topic during the lectures.  To prepare a project and its presentation within a student group.
10.1. Transactions of property, plant and equipment: purchase of assets; self-construction; subsequent measurement; provisions; impairment of non-cash generating assets; depreciated replacement cost approach; restoration cost approach; service units’ approach.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
10.2. Transactions of non-exchange transactions: taxation of citizens; donation of an asset with obligation.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
10.3. Transactions of non-exchange expenses: expenses; payments; cash transfer; grants; pensions.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
11. Consolidated financial statements: the group as an accounting phenomenon; the objectives of consolidated financial reporting; the group as a fictional entity and the consolidation area; consolidation methods and theories of consolidated accounts; procedures for full consolidation; organizational challenges.	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
12. Consolidation methods: Definitions and background; Overview of relevant IPSAS; Process of consolidated financial reporting; Full consolidation (initial and	2		1					3	5	To independently study and examine literature.  To prepare for participating in discussions

Topics	Contact hours							Self-study time and tasks		
	Lectures	Consultations	Seminars	Workshops	Lab works	Practice	E-learning	All contact work	Independent study	Tasks
subsequent consolidations); Equity method (initial and subsequent consolidations).										on the topic during the lectures.  To prepare a project and its presentation within a student group.
13. The accounting harmonization challenge in the European Union and the EPSAS: introduction to the EU harmonization challenge and EPSAS; the process; challenging issues.	2		1					3	4	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.  To prepare a project and its presentation within a student group.
14. Alternative reporting and non-financial accounting formats: the role of alternative and non-financial reporting; the main formats of alternative and non-financial reporting; evaluation of alternative and non-financial reporting formats.	2		2					4	6	To independently study and examine literature.  To prepare for participating in discussions on the topic during the lectures.
	32		16					48	82	

Composition of the final assessment	Weight in percent	Time	Evaluation criteria
Student group project	50	During the term	75-100 per cent: The topic is fully explored; the required professional and scientific literature is effectively utilized; the presentation is clear, cohesive, and well-visualized; the student accurately answers all questions. 50-75 per cent: The topic is adequately addressed but with minor flaws; the professional and scientific literature used is partially appropriate; the presentation is clear, cohesive, and well-visualized; the student correctly answers some questions. 25-50 per cent: The topic is poorly addressed; there is either no bibliography or inadequate; the presentation is weak and lacks coherence; the student struggles to answer the questions. 0-25 per cent: The project is incomplete or minimally completed.
Engagement and activity during lectures	10	During the term	75-100 per cent: initiating and maintaining discussions, participating in hypothetical tasks, being able to argue and defend one's point of view, participating in practical activities organized during the lecture year (short projects, case studies, etc.); 50-75 per cent: independently solves the presented tasks, argues the solutions, and answers most questions correctly. Participates in seminars, speaks in some discussions, uses material from the literature read, and attends most classes;

Composition of the final assessment	Weight in percent	Time	Evaluation criteria
			25-50 per cent: independently solves the given tasks, answers part of the given questions; passively uses literary sources; missed a significant part of classes; 0-25 per cent: missed more than half of the lectures, did not show activity in the ones they participated in, and/or did not solve independent tasks or solved them only minimally.
Exam	40	May/June	Test: closed-type questions and open-type questions-tasks. Assessment of exam assessment results, if answered correctly: 95-100 percent - excellent, 10 85-94 percent - very good, 9 75-84 percent - good, 8 65-74 percent - on average, 7 55-64 percent - satisfactory, 6 45-54 percent - weakly, 5 less than 45percent - unsatisfactory  <b>The final grade is calculated using the weighted average method.</b>

Author	Year	Title	Edition	Publisher	Access
<b>Mandatory reading</b>					
Lorson P., Jorge S., Haustein E.	2023	European Public Sector Accounting	II edition	Coimbra University Press	DOI: <a href="https://doi.org/10.14195/978-989-26-1861-6">https://doi.org/10.14195/978-989-26-1861-6</a>
International Public Sector Accounting Standards Board (IPSASB)	2024	Handbook of International Public Sector Accounting Pronouncements		IPSASB	<a href="https://www.ipsasb.org/publications/2022-handbook-international-public-sector-accounting-pronouncements">https://www.ipsasb.org/publications/2022-handbook-international-public-sector-accounting-pronouncements</a>
Berger T.	2018	IPSAS Explained: A Summary of International Public Sector Accounting Standards		Wiley	<a href="https://www.wiley.com/en-us/IPSAS+Explained%3A+A+Summary+of+International+Public+Sector+Accounting+Standards%2C+3rd+Edition-p-9781119415107">https://www.wiley.com/en-us/IPSAS+Explained%3A+A+Summary+of+International+Public+Sector+Accounting+Standards%2C+3rd+Edition-p-9781119415107</a>
<b>Additional reading</b>					
Vašiček V., Roje G.	2019	Public Sector Accounting, Auditing and Control in South Eastern Europe (Public Sector Financial Management)	1st Edition	Palgrave Macmillan	<a href="https://link.springer.com/book/10.1007/978-3-030-03353-8">https://link.springer.com/book/10.1007/978-3-030-03353-8</a>
Caruana J., Brusca I., Caperchione E., Cohen S., Rossi F.M.	2019	Financial Sustainability of Public Sector Entities: The Relevance of Accounting Frameworks	1st Edition	Palgrave Macmillan	<a href="https://link.springer.com/book/10.1007/978-3-030-06037-4">https://link.springer.com/book/10.1007/978-3-030-06037-4</a>
Robyn Pilcher, David Gilchrist	2018	Public Sector Accounting, Accountability and Governance: Globalising the Experiences of Australia and New Zealand	1st Edition	Routledge	<a href="https://www.routledge.com/Public-Sector-Accounting-Accountability-and-Governance-Globalising-the-Experiences-of-Australia-and-New-Zealand/Pilcher-">https://www.routledge.com/Public-Sector-Accounting-Accountability-and-Governance-Globalising-the-Experiences-of-Australia-and-New-Zealand/Pilcher-</a>

Author	Year	Title	Edition	Publisher	Access
					Gilchrist/p/book/9780367588441
Brusca I., Caperchione E., Cohen S., Manes Rossi F.	2015	Public Sector Accounting and Auditing in Europe	1st Edition	Palgrave	<a href="https://link.springer.com/book/10.1057/9781137461346">https://link.springer.com/ book/10.1057/97811374 61346</a>