

**UNIVERSITY OF ECONOMICS - VARNA**  
**FACULTY OF FINANCE AND ACCOUNTING**  
**ACCOUNTING DEPARTMENT**

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Adopted by the FC (record №/ date):

Adopted by the DC (record №/ date):

**ACCEPTED BY:**

**Dean:**

(Assoc. Prof. Dr. Hristina Blagoycheva)

## **SYLLABUS**

**SUBJECT: “FINANCIAL ACCOUNTING”;**

**DEGREE PROGRAMME: All degree programmes from professional field “Economics”  
(in English language); BACHELOR`S DEGREE**

**YEAR OF STUDY: 2; SEMESTER: 4;**

**TOTAL STUDENT WORKLOAD: 180 hours; incl. curricular 60 hours**

**CREDITS: 6**

### DISTRIBUTION OF STUDENT WORKLOAD ACCORDING TO THE CURRICULUM

<i>TYPE OF STUDY HOURSE</i>	<b>WORKLOAD, hours</b>	<b>TEACHING HOURS PER WEEK, hours</b>
<b>CURRICULAR:</b> incl. <ul style="list-style-type: none"><li>• LECTURES</li><li>• SEMINARS / LAB. EXERCISES</li></ul>	30 30	2 2
<b>EXTRACURRICULAR</b>	120	-

Prepared by:

1. ....  
(Assoc. Prof. Dr. Nadezhda Popova)

2. ....  
(Chief Assist. Prof. Dr. Veselin Dekov)

Head of department: .....  
„Accounting department“ (Assoc. Prof. Dr. Slavi Genov)

## I. ANNOTATION

*“Financial accounting” builds upon the knowledge received in the previous Accounting theory course. It aims to provide a deeper understanding of financial accounting – the way business transactions are recorded and presented in the financial statements to be of use to external parties.*

*It covers the principles that underlie the preparation of financial statements- the recognition, measurement and recording of specific transactions and events, as well as their presentation in the financial statements. It deals in detail with specific items such as inventories, long term tangible and intangible assets, receivables, liabilities and equity. The students received knowledge and skills in preparation of financial statements - statement of financial position (balance sheet), statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows.*

*The course is intended to prepare qualified accounting professionals who can work in many different countries, as well as in large or multinational companies locally. That’s why it is prepared in accordance with the IAS. It also gives the US GAAP and the Bulgarian accounting standards perspective for comparison.*

## II. THEMATIC CONTENT

№	TITLE OF UNIT AND SUBTOPICS	NUMBER OF HOURS		
		L	S	L.E.
<b>Theme 1. Cash</b>		<b>4</b>	<b>4</b>	
1.1.	Cash and cash equivalents. Accounting for cash transactions.			
1.2.	Foreign currency cash and accounting for it. Current and end of the period cash evaluation.			
1.3.	Petty cash and cash control.			
<b>Theme 2. Accounting for Receivables</b>		<b>4</b>	<b>4</b>	
2.1	Types of receivables. Accounts receivable. Notes receivable. Other receivables.			
2.2	Recognizing and valuing of accounts receivable. Bad debts and allowance for uncollectible accounts. Disposing of accounts receivable.			
<b>Theme 3. Inventories</b>		<b>4</b>	<b>4</b>	
3.1	Inventory classification. Determining inventory quantities.			
3.2	Inventory costing and cost flow assumptions (FIFO, LIFO and average cost).			
3.3	Inventory accounts for manufacturing companies. Direct and indirect costs. The manufacturing account.			
<b>Theme 4. Plant assets, Natural Resources, and Intangible Assets</b>		<b>4</b>	<b>4</b>	
4.1	Plant assets. Determining the cost of plant assets. Depreciation. Expenditures during the useful life. Retirement of plant assets. Natural resources.			
4.2	Intangible assets. Amortization. Research and development costs.			
4.3	Impairment. Revaluation. Non-current asset register			
<b>Theme 5. Liabilities</b>		<b>4</b>	<b>4</b>	
5.1	Current liabilities. Notes payable. Sales taxes payable. Un-earned revenues. Current maturities of long-term debt.			

5.2	Payroll accounting.			
5.3	Non-current liabilities. Bonds. Types of bonds. Other long-term liabilities.			
<b>Theme 6. Corporations: Organization and Capital Transactions</b>		<b>2</b>	<b>2</b>	
6.1	Characteristics of corporations. Formation. Stockholder rights. Stock issue considerations. Corporate capital. Capital structure.			
6.2	Accounting for issues of ordinary share capital (common stock). Issuing face value (par value) shares. No-par value stock.			
6.3	Dividends. Cash and stock dividends. Stock splits. Retained earnings.			
<b>Theme 7. Financial Statements</b>		<b>6</b>	<b>6</b>	
7.1	Financial statements – components and structure (IAS 1, IAS 7). Prepare statement of profit or loss and other comprehensive income; statement of financial position; statement of changes in equity; statement of cash flows			
7.2	Disclosure notes. Events after the reporting period. Financial statements from incomplete data.			
<b>Theme 8. Basic accounting ratios</b>		<b>2</b>	<b>2</b>	
8.1	Profitability ratios			
8.2	Liquidity ratios			
8.3	Risk ratios			
<b>Total:</b>		<b>30</b>	<b>30</b>	

### **III. FORMS OF CONTROL:**

<b>№</b>	<b>TYPE AND FORM OF CONTROL</b>	<b>Number</b>	<b>extracurricular, hours</b>
<b>1.</b>	<b>Midterm control</b>		
1.1.	Course project on a predefined theme/ homework	<b>1</b>	<b>30</b>
1.2.	Midterm test	<b>1</b>	<b>30</b>
<b>Total midterm control:</b>		<b>2</b>	<b>60</b>
<b>2.</b>	<b>Final term control</b>		
2.1.	Final test	<b>1</b>	<b>60</b>
<b>Total final term control:</b>		<b>1</b>	<b>60</b>
<b>Total for all types of control:</b>		<b>3</b>	<b>120</b>

### **IV. LITERATURE**

#### **REQUIRED (BASIC) LITERATURE:**

1. Ruth Picker, Kerry Clark, John Dunn, David Kolitz, Gilad Livne, Janice Loftus, Leo van der Tas. Applying IFRS Standards, 4th Edition, 2019
2. Wiley Interpretation and Application of IFRS Standards, PKF International Ltd, 2019

3. Weygandt, J., Kimmel, P. and D. Kieso, Financial Accounting: IFRS, 3rd Edition, Wiley, September 2015, ©2016  
<http://eu.wiley.com/WileyCDA/WileyTitle/productCd-1118978080,subjectCd-AC10.html>
4. CIMA C02 Study Text Fundamentals of Financial Accounting, Kaplan Publishing 2015, UK  
<http://kaplan-publishing.kaplan.co.uk/cima/C02/Pages/study-text.aspx>
5. ACCA F3 Complete Text Financial Accounting (FA), Kaplan Publishing 2015, UK  
<http://kaplan-publishing.kaplan.co.uk/acca-books/F3/Pages/complete-text.aspx>

**RECOMMENDED (ADDITIONAL) LITERATURE:**

1. Weygandt, Kimmel, Kieso, Accounting Principles, 12 edition (international), USA, 2016  
<http://eu.wiley.com/WileyCDA/WileyTitle/productCd-EHEP003230.html>
2. International Financial Reporting Standards
3. <http://www.ifrs.org>