

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ  
ХАРКІВСЬКИЙ НАЦІОНАЛЬНИЙ ЕКОНОМІЧНИЙ УНІВЕРСИТЕТ  
ІМЕНІ СЕМЕНА КУЗНЕЦЯ

"ЗАТВЕРДЖУЮ"

Проректор з навчально-методичної роботи



Каріна НЕМАШКАЛО

МІЖНАРОДНІ СТАНДАРТИ ФІНАНСОВОЇ ЗВІТНОСТІ  
робоча програма навчальної дисципліни

Галузь знань **05 "Соціальні та поведінкові науки"**  
Спеціальність **051 "Економіка"**  
Освітній рівень **Перший (бакалаврський)**  
Освітня програма **"Міжнародна економіка"**

Статус дисципліни **вибіркова**  
Мова викладання, навчання та оцінювання **англійська**

Завідувач кафедри  
обліку і бізнес-консалтингу

Андрій ПИЛИПЕНКО

Харків  
2023

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE  
SIMON KUZNETS KHARKIV NATIONAL UNIVERSITY OF ECONOMICS

**"APPROVE"**  
Vice-rector for educational and methodical work  
Karina NEMASHKALO



**INTERNATIONAL FINANCIAL REPORTING STANDARDS**

Syllabus of the academic discipline

Field of knowledge **05 " Social and behavioral sciences "**  
Спеціальність **051 "Economics"**  
Освітній рівень **Firs (bachelor)**  
Освітня програма **"International Economics"**

Discipline status **selective**  
Language of teaching, studying and assessment **English**

Head of Accounting and  
Business-Consulting department



Andriy PYLYPENKO

Kharkiv

2023

APPROVED

at the meeting of the Accounting and Business-Consulting department  
Protocol № 6 of January 17, 2023.

Compiled by:

O. Kudina, PhD., Ass. of Professor of the Accounting and Business Consulting department

**Sheet of renewal and re-approval  
syllabus of the academic discipline**

Academic year	Date of the department meeting - developer of the syllabus	Protocol number	Sign of the Head of the department

## Abstract of the educational discipline

In modern conditions of economic globalization, practically every Ukrainian enterprise faces the question of international cooperation. Procuring raw materials and equipment abroad, as well as exporting own products, require the formation of long-term partnership relations between representatives from different countries around the world. A necessary condition for the successful implementation of such projects is the ability to obtain complete, and most importantly, understandable information about the economic activities of each participant. That is why it is necessary to develop in international economics professionals an understanding of international financial reporting standards (IFRS). Knowledge of international financial reporting standards will enable forecasting of tax implications and avoid errors in reflecting international business operations and their results in the systemic accounting and financial reporting.

The main purpose of the educational discipline "International financial reporting standards" is to supply future managers with fundamental knowledge conceptual foundations of accounting as a base for effective management decisions.

The objectives of the discipline are as follows:

- providing learners with an understanding of the role and purpose of enterprise reporting;
- utilizing modern approaches to establish an information base for forming reporting indicators of the enterprise under international standards;
- studying the methodology of preparing financial statements of the enterprise under national and international standards;
- exploring the use of reporting indicators for analysis and planning of enterprise performance indicators.

The object of the educational discipline is the system of forming the enterprise's reporting under international standards.

The subject of the educational discipline encompasses theoretical, practical, and methodological aspects of preparing reports under international standards and their utilization for analyzing enterprise performance.

### Characteristics of educational discipline

Course	4
Semester	8
Number of credits ECTS	5
Form of final control	exam

### Structural and logical scheme of studying the discipline

Prerequisites	Post requisites
Accounting	International Finance
Statistics	International Business Analysis
Finances	International Economic Activity of Ukraine

## Competencies and Learning Outcomes for the Course

Competences	Learning outcomes
Ability to apply knowledge in practical situations.	Utilize regulatory and legal acts that govern professional activities."
Skills in using information and communication technologies.	Possess methods for justifying managerial decisions in international economic activity at macro, meso, and micro levels based on comprehensive economic and financial calculations.
Ability for creative and critical thinking.	
Ability to make informed decisions..	
Ability to consciously and socially responsibly act based on ethical considerations.	
Ability to describe economic and social processes and phenomena based on theoretical and applied models, analyze and meaningfully interpret the obtained results.	
Ability to describe economic and social processes and phenomena based on theoretical and applied models, analyze, and meaningfully interpret the obtained results.	
Ability to apply economic-mathematical methods and models to solve economic problems	
Ability to forecast social-economic processes based on standard theoretical and econometric models	
Skills in using modern sources of economic, social, managerial, accounting information for drafting official documents and analytical reports.	
Ability to use analytical and methodological tools to justify economic decisions.	
Ability to independently identify economic problems when analyzing specific situations and propose ways to solve them.	
Ability to conduct analysis of the functioning and development of economic entities and the state of functional subsystems of enterprises, organizations, and institutions."	
Ability to deeply analyze problems and phenomena in one or multiple professional areas within the scope of the specialization	

## **The program of the educational discipline**

### **Content module 1. The Fundamentals of IFRS.**

#### **Topic 1. Introduction to international financial reporting standards**

- 1.1. Worldwide adoption of IFRS.
- 1.2. Remaining exceptions.
- 1.3. The international accounting standards committee.
- 1.4. The international accounting standards board

#### **Topic 2. The Conceptual Framework for Financial Reporting (IFRS).**

- 2.1. Objective of financial statements.
- 2.2. Underlying assumptions: Accrual Basis, Going Concern.
- 2.3. Qualitative characteristics of financial statements (Understandability, Relevance, Reliability, Comparability).
- 2.4. Elements of financial statements.
- 2.5. Concepts of capital and capital maintenance.

#### **Topic 3. Presentation of Financial Statements (IAS 1)**

- 3.1. Scope.
- 3.2. Definitions of key terms.
- 3.3. Purpose of financial statements.
- 3.4. Components of financial statements.
- 3.5. Overall considerations.
- 3.6. Structure and content.

### **Content module 2. Understanding Financial Reporting Standards.**

#### **Topic 4. Inventories (IAS 2).**

- 4.1. Scope.
- 4.2. Definitions of key terms.
- 4.3. Measurement of inventories. Cost of inventories.
- 4.4. Techniques of measurement of costs.
- 4.5. Cost formulas. Net realizable value.
- 4.6. Recognition of expense.

#### **Topic 5. Property, plant, and equipment (IAS 16).**

- 5.1. Scope. Definitions of key terms.
- 5.2. Recognition of an asset.
- 5.3. Depreciation.
- 5.4. Derecognition. IFRIC interpretation 1.

#### **Topic 6. Cash flow statements (IAS 7).**

- 6.1. Scope. Definitions of key terms.
- 6.2. Benefits of presenting a Cash Flow Statement.
- 6.3. Cash and cash equivalents.
- 6.4. Presentation of the cash flow statement.
- 6.5. Operating activities.

- 6.6. Investing activities.
- 6.7. Financing activities.
- 6.8. Noncash transactions.
- 6.9. Direct versus indirect method.
- 6.10. Reporting cash flows on a gross basis versus a net basis.

**Topic 7. Accounting policies, changes in accounting estimates and errors (IAS 8).**

- 7.1. Definitions of key terms (in accordance with IAS 8).
- 7.2. Accounting policies.
- 7.3. Selection and application of accounting policies.
- 7.4. Consistency of accounting policies.
- 7.5. Factors governing changes in accounting policies.
- 7.6. Applying changes in accounting policies.
- 7.7. Limitations of retrospective application.
- 7.8. Disclosures with respect to changes in accounting policies.
- 7.9. Changes in accounting estimates.
- 7.10. Correction of prior-period errors.

**Topic 8. Revenue (IAS 18).**

- 8.1. Scope. Definitions of key terms.
- 8.2. Measurement of revenue.
- 8.3. Identification of a transaction.
- 8.4. Rendering of services.
- 8.5. Interest, royalties, and dividends.

**Topic 9. Income taxes (IAS 12).**

- 9.1. Definitions of key terms.
- 9.2. Current tax liabilities and assets.
- 9.3. Accounting for deferred tax.
- 9.4. Consolidated financial statements.
- 9.5. Deferred tax assets.
- 9.6. Tax rates.
- 9.7. Discounting.
- 9.8. Current and deferred tax recognition.
- 9.9. Dividends.

**Topic 10. Financial Instruments.**

- 10.1. Scope and definitions of key terms.
- 10.2. Presentation of liabilities and equity.
- 10.3. Presentation of interest, dividends, losses, and gains.
- 10.4. Classification of financial assets and financial liabilities into categories.

**Topic 11. The effects of changes in foreign exchange rates (IAS 21)**

- 11.1. Definitions of key terms.
- 11.2. Functional currency.
- 11.3. Recording foreign currency transactions using the functional currency.
- 11.4. Recognition of exchange differences.
- 11.5. Translation to the presentation currency from the functional currency.

- 11.6. Translation of a foreign operation.
- 11.7. Disposal of a foreign entity.

**Topic 12. Consolidated and separate financial statements (IAS 27).**

- 12.1. Scope and definitions of key terms.
- 12.2. Presentation of financial statements
- 12.3. Consolidated financial statements.
- 12.4. Accounting procedures.

### **Teaching and instruction methods**

The main method of teaching the discipline is an explanatory-illustrative method, which is a tool for studying theoretical material, all lectures are presented in the form of presentations using Microsoft PowerPoint. Methods are also used to achieve competencies and learning outcomes: lecture-discussions (topic 1 – 3), work in small groups (topic 4), presentations (topic 5,10), illustrations (topic 1 – 8), case-method (topic 6; topic 7), and various individual (topic 10-12).

During lectures and classes, the following teaching methods are used: explanatory and illustrative, reproductive, problem-based teaching, partially research-based, research teaching methods.

### **Assessment system of learning outcomes**

Simon Kuznets Kharkiv National University of Economics utilizes a cumulative (100-point) grading system.

The evaluation of students' learning outcomes is conducted through ongoing and final assessments.

Ongoing assessment of students' knowledge takes place during practical sessions and involves the evaluation of learners based on the following activities:

Completion and defense of practical tasks (maximum of 30 points).

Creative assignment (maximum of 10 points).

First module colloquium (maximum of 10 points).

Second module colloquium (maximum of 10 points).

For the completion of practical tasks during practical sessions, 5 points are allocated, which are distributed according to the following criteria:

3 points: the task is completed with some errors and submitted without defense.

4 points: the task is completed correctly and submitted without defense.

5 points: the task is completed correctly and defended according to the schedule of the educational process.

Individual work is assessed through the evaluation of its completion and defense. The creative assignment has a maximum score of 10 points. The requirements for the completion of the creative assignment are posted on the PLS website. The creative assignment, which is a presentation of the material on the chosen topic, is evaluated as follows:

10 points: The content and structure of the executed material correspond to the research objective. The presented results of the research reflect explanations and conclusions regarding the assigned tasks. The work aligns with the subject and the object of the research.

8 points: The content and structure of the executed material correspond to the research objective. The presented results of the research include explanations and conclusions regarding the assigned tasks related to the chosen theme.



6 points: The content and structure of the executed material correspond to the research objective. The presented results of the research include explanations and conclusions regarding the assigned tasks. A sufficient investigation of the state of the research object is conducted in line with the objective of the chosen theme. However, there is an insufficiently accurate determination of the directions for solving the assigned tasks, which affects the correctness of the conclusions.

5 points: The content and structure of the executed material do not correspond to the research objective.

0 points: The execution of the material is absent.

The maximum total score that can be obtained for individual work is 20 points, and the minimum possible score is 0 points.

Each of the two module colloquiums includes testing on the PLS website. A student can receive a maximum of 10 points for each colloquium. The colloquium consists of 20 tests of various levels, namely:

Simple tests with one or multiple correct answers, with a total of 12 tests worth 0.5 points each. Maximum score: 6 points.

Calculative tests, with a total of 2 tests worth 2 points each. Maximum score: 4 points.

The final assessment of students' knowledge and competencies in the subject is based on a written exam. Students are allowed to take the exam if they have grades of 35 points or higher out of the maximum 60 points from ongoing knowledge assessments. The exam is evaluated on a 40-point scale.

The examination paper consists of three tasks of varying difficulty levels. The first task (preparation of the Balance Sheet) assesses the student's professional skills at a stereotypical level and is graded up to a maximum of 10 points. In this task, the student needs to correctly allocate amounts to the appropriate rows of the financial statement, calculate necessary sums, and provide subtotals for sections and the overall Balance Sheet.

Successfully solving the second task (preparation of the Statement of Cash Flows or Statement of Owner's Equity) allows the student to earn an additional 12 points. In this task, the student needs to correctly allocate amounts to the rows of the financial statement and calculate subtotals.

The third task is graded up to a maximum of 18 points (preparation of the Income statement or Profit and loss statement). In this task, the student needs to correctly allocate amounts to the rows of the financial statement and calculate unknown indicators of the report. The maximum score is awarded to the student if they perform all calculations accurately, without any arithmetic errors, and provide appropriate explanations for their answers.

Completing all three examination tasks correctly and fully allows the student to obtain the maximum score of 40 points for the exam.

A student is considered certified if they receive a minimum of 35 points during the ongoing assessment and a minimum of 25 points during the final assessment. The total score for the semester/final evaluation, which equals or exceeds 60 points, determines the results of the performance evaluation.

The final grade for the course (maximum of 100 points) is determined by summing the simple scores obtained by the student during the ongoing and final assessments. The overall semester result in points is categorized as follows: "60 or more points – passed" and "59 or fewer points – failed," and it is recorded in the "Academic Performance Record" for the respective discipline.

If a student receives fewer than 60 points, they are required to take the exam after the examination session, within the timeframe set by the dean of the faculty, but no later than two weeks after the start of the semester.

The final assessment is determined according to the grading scale provided in the "Assessment Scale: National and ECTS" table.

Forms of assessment and distribution of points are given in the table «Rating-plan of the educational discipline».

**Rating-plan of the educational discipline**

<b>Topic</b>	<b>Forms and types of education</b>	<b>Forms of evaluation</b>	<b>Max points</b>
1	2	3	4
<b>Content module 1. The Fundamentals of IFRS.</b>			
Topic 1. Introduction to international financial reporting standards.	<i>Classroom work</i>		
	Lecture: 1. Worldwide adoption of IFRS.2. Remaining exceptions. 3. The international accounting standards committee. 4. The international accounting standards board.	Work on lecture	
	Practical training: Structure of International Accounting and Reporting Standards."	Solving competence oriented tasks	
	<i>Individual work</i>		
	Study of lecture material, preparation for practical classes	Homework check	
Topic 2. The Conceptual Framework for Financial Reporting (IFRS).	<i>Classroom work</i>		
	Lecture 2: 1. Objective of financial statements. 2. Underlying assumptions: Accrual Basis, Going Concern. 3. Qualitative characteristics of financial statements (Understandability, Relevance, Reliability, Comparability). 4. Elements of financial statements. 5. Concepts of capital and capital maintenance.	Work on lecture	
	Practical training 2. Relevance: Predictive value and confirmatory value. 2. Substance over form – retention of title. 3. Determining whether the entity is acting as a principal or as an agent. 4. Is recognition of an intangible asset in the statement of financial position appropriate?	Solving competence oriented tasks	5
	<i>Individual work</i>		
	Study of lecture material, preparation for practical and laboratory classes	Homework check	
Topic 3. Presentation of Financial Statements (IAS 1)	<i>Classroom work</i>		
	Lecture 3: 1. Scope. 2. Definitions of key terms. 3. Purpose of financial statements. 4. Components of financial statements. 5. Overall considerations. 6. Structure and content.	Work on lecture	

	Practical training 3. Nature of expense method vs. function of expense method. Current vs. non-current liabilities. Going concern. Presentation of a deferred tax liability in the statement of financial position.	Solving competence oriented tasks	
	<b><i>Individual work</i></b>		
	Study of lecture material, preparation for practical and laboratory classes	Homework check	
<b>Content module 2. Understanding Financial Reporting Standards</b>			
Topic 4. Inventories (IAS 2).	<b><i>Classroom work</i></b>		
	Lecture 4 on questions: 1. Scope. 2. Definitions of key terms. 3. Measurement of inventories. Cost of inventories. 4. Techniques of measurement of costs. 5. Cost formulas. Net realizable value. 6. Recognition of expense.	Work on lecture	
	Practical training 4. 1. Costs of conversion of finished goods. 2. Costs of purchase – financing element. 3. Measurement of merchandise. 4. Measurement of raw materials. 5. Measurement of work in progress.	Solving competence oriented tasks	5
	<b><i>Individual work</i></b>		
	Study of lecture material, preparation for practical and laboratory classes	Homework check	
Content module 2. Accounting of liabilities, capital, income and expenses of the enterprise			
Topic 5. Property, plant, and equipment (IAS 16).	<b><i>Classroom work</i></b>		
	Lecture 5 on questions: 1. Scope. Definitions of key terms. 2. Recognition of an asset. 3. Depreciation. 4. Derecognition. IFRIC interpretation	Work on lecture	
	Practical training 5. 1. Component accounting – engine. 2. Depreciation methods and depreciable amount. 3. Decommissioning, restoration, and similar liabilities. 4. Accounting treatment of property, plant, and equipment (including a sale).	colloquium	10
	<b><i>Individual work</i></b>		
	Study of lecture material, preparation for practical and laboratory classes, preparation for the colloquium	Homework check	
Topic 6. Cash flow statements (IAS 7)	<b><i>Classroom work</i></b>		
	Lecture 6 on questions: 1. Scope. Definitions of key terms. 2. Benefits of presenting a Cash Flow Statement. 3. Cash and cash equivalents. 4. Presentation of the cash flow statement. 5. Operating activities. 6. Investing activities. 7. Financing activities. 8. Noncash transactions. 9. Direct versus indirect method. 10. Reporting cash flows on a gross basis versus a net basis.	Work on lecture	

	Practical training 6. 1. Non-cash expense. 2. Gain on disposal of an item of property, plant, or equipment. 3. Cash flows from operating activities.4. Preparation of a statement of cash flows.5. Interest, issue, and redemption of a bond.	Solving competence oriented tasks	5
	<b>Individual work</b>		
	Study of lecture material, preparation for practical classes, preparation of a scientific paper	Homework check	
	<b>Classroom work</b>		
Topic 7. Accounting policies, changes in accounting estimates and errors (IAS 8)	Lecture 7 on the following questions: 1. Definitions of key terms (in accordance with IAS 8).2. Accounting policies. 3. Selection and application of accounting policies. 4. Consistency of accounting policies. 5. Factors governing changes in accounting policies. 6. Applying changes in accounting policies. 7. Limitations of retrospective application. 8. Disclosures with respect to changes in accounting policies. 9. Changes in accounting estimates. 10. Correction of prior-period errors.	Work on lecture	
	Practical training 7. 1. Scope of the principle of consistency. 2. Changes in accounting estimates. 3. Retrospective restatement.4. Retrospective application of an accounting policy.	Solving competence oriented tasks	5
	<b>Individual work</b>		
	Study of lecture material, preparation for practical classes, preparation of a scientific paper	Scientific work	10
	<b>Classroom work</b>		
Topic 8. Revenue (IAS 18)	Lecture 8 on questions: 1. Scope. Definitions of key terms. 2. Measurement of revenue. 3. Identification of a transaction. 4. Rendering of services. 5. Interest, royalties, and dividends.		
	Practical training 8. 1. Realized and unrealized consideration. 2. Sale on credit. 3. Servicing component. 4. Customer loyalty program – allocation of the consideration.	Solving competence oriented tasks	
	<b>Individual work</b>		
	Study of lecture material, preparation for practical and laboratory classes	Homework check	
Topic 9. Income taxes (IAS 12).	<b>Classroom work</b>		
	Lecture 9 on questions 1. Definitions of key terms. 2. Current tax liabilities and assets. 3. Accounting for deferred tax. 4. Consolidated financial statements. 5. Deferred tax assets. 6. Tax rates. 7. Discounting. 8. Current and deferred tax recognition. 9. Dividends,	Work on lecture	

	Practical training 9. 1. Current tax. 2. Deferred tax. 3. Expenses not deductible for tax purposes. 4. Deferred tax and tax (rate) reconciliation.	Solving competence oriented tasks	5
	<b><i>Individual work</i></b>		
	Studying the lecture material, preparing for the presentation of a report on laboratory classes	Homework check	
Topic 10. Financial Instruments.	<b><i>Classroom work</i></b>		
	Lecture 10 on questions 1. Scope and definitions of key terms. 2. Presentation of liabilities and equity. 3. Presentation of interest, dividends, losses, and gains. 4. Classification of financial assets and financial liabilities into categories.	Work on lecture	
	Practical training 10. 1. Existence of a financial asset or of a financial liability. 2. Treasury shares. 3. Costs of an equity transaction. 4. Convertible bond – separation on initial recognition. 5. Convertible bond – accounting treatment after recognition.	Solving competence oriented tasks	
	<b><i>Individual work</i></b>		
	Study of lecture material, preparation for practical and laboratory classes	Homework	
Topic 11. The effects of changes in foreign exchange rates (IAS 21)	<b><i>Classroom work</i></b>		
	Lecture 11 on questions 1. Definitions of key terms. 2. Functional currency. 3. Recording foreign currency transactions using the functional currency. 4. Recognition of exchange differences. 5. Translation to the presentation currency from the functional currency. 6. Translation of a foreign operation. 7. Disposal of a foreign entity.	Work on lecture	
	Practical training 11. 1. Monetary vs. non-monetary items. 2. Foreign currency transactions – monetary items. 3. Foreign currency transactions – testing for impairment. 4. Translation of foreign currency financial statements – current rate method. 5. Disposals or partial disposals of foreign operations.	Solving competence oriented tasks	5
	<b><i>Individual work</i></b>		
	Study of lecture material, preparation for practical and laboratory classes	Homework	
Topic 12. Consolidated and separate financial statements (IAS 27).	<b><i>Classroom work</i></b>		
	Lecture 12 on questions 1. Scope and definitions of key terms. 2. Presentation of financial statements. 3. Consolidated financial statements. 4. Accounting procedures.	Work on lecture	

	Practical training 12. 1. Potential voting rights. 2. Elimination of intragroup receivables and liabilities. 3. Elimination of intragroup income and expenses. 4. Elimination of intragroup profits and losses that are recognized in the carrying amounts of assets. 5. Acquisition and disposal of shares	colloquium on topics 4-12	10
<b>Individual work</b>			
	Study of lecture material, preparation for exam	Homework	
Exam			40
Total amount			100

### Recommended books and resources

#### Main

1. Averkamp H. Accounting coach. Accounting basics [Electronic resource]. – Access mode : <https://www.accountingcoach.com/>
2. International Financial Reports Statement (IFRS) Foundation [Electronic resource]. – Access mode : <https://www.ifrs.org/>
3. Walther L. M. Principles of accounting [Electronic resource]. – Access mode : <https://www.principlesofaccounting.com/>

#### Additional

4. Atrill P., McLaney E. Accounting. An Introduction. United Kingdom: Pearson, 2019. 1812 p.
5. Edmonds T.P., Tsay B.-Y., Olds P. R. Fundamental Managerial Accounting Concepts. . New York: McGraw Hill LLC, 2021, 748 p.
6. Libby R., Libby P.A., Hodge F. Financial accounting. New York: McGraw Hill LLC, 2022. 881 p.
7. Weygandt J.J., Kimmel P. D., Mitchell J. E. Accounting Principles. Hoboken : John Wiley & Sons, 2021. 1470 p.
8. Wild J. J., Shaw K. W. Fundamental Accounting Principles. New York: McGraw Hill LLC, 2019. 1208 p.

#### Information resources

9. Accounting: course page on the PNS (Moodle platform) [Electronic resource]. – Access mode : <https://pns.hneu.edu.ua/enrol/index.php?id=7564>
10. QuickBooks Online [Electronic resource]. – Access mode : <https://quickbooks.intuit.com/>
11. Oblik SaaS. New look of accounting and management Online [Electronic resource]. – Access mode : <https://oblik.ua/en>