



BASICS OF ACCOUNTING

Credit points	5 CP		
Duration of the course	2nd semester		
Study course annotation	Students learn the theoretical foundations of accounting. Learn to practically apply accounting techniques by applying the accounting regulatory acts of the Republic of Latvia and international laws.		
Aim of the study course	The aim of the study course is to provide students with knowledge at the level of understanding and application about the elements of the accounting system, generally accepted accounting principles. To provide knowledge about Latvian accounting system and accounting organization issues in accordance with the requirements of the regulatory acts of the Republic of Latvia.		
Study course results	Knowledge	Skills	Competences
	<p>after successfully completing this study course, students</p> <ul style="list-style-type: none"> • demonstrates knowledge of bookkeeping, in accordance with current regulatory enactments; • demonstrates knowledge of the essence of accounting, accounting elements, documentation, chart of accounts, document circulation scheme; • demonstrates knowledge of taking inventories and presenting results. 	<ul style="list-style-type: none"> • knows how to use knowledge of bookkeeping, in accordance with the current regulatory enactments; • able to identify changes in the composition of company funds and sources of company funds as a result of economic transactions; • knows how to organize transaction accounting and inventory; • knows how to prepare a profit or loss statement, its components, use of information for financial management purposes; • Can prepare a balance sheet, classify funds and their sources according to balance sheet assets and liabilities. • knows how to apply the knowledge gained in the program and navigate the requirements of the regulatory framework in the field of accounting; • knows how to work effectively both individually and in a team and to take responsibility for his own and the group's work. 	<ul style="list-style-type: none"> • Able to record economic operations in a double-entry system using balance sheets and operating accounts; • Able to prepare account turnover report and apply chart of accounts in accounting of economic operations; • Able to prepare PZA and balance sheet
Study course content	Topics		



	1	Introduction to accounting
	2	Accounting, its nature, tasks and basic principles
	3	Accounting, objects and their composition
	4	Laws and regulations governing accounting activities
	5	Accounting balance sheet. Active. Passive.
	6	Accounting accounts and double entry
	7	Assessment of accounting objects
	8	Accounting methods. Documentation and inventory
	9	Calculation of profit or loss
	10	Accounting reports
	11	Accounting organization
	12	Accounting policy
Form of assessment:	Exam	
Obligatory literature:		
<ol style="list-style-type: none"> 1. LR "Accounting Law": effective from 01.01.2022. Available: https://likumi.lv/ta/id/324249-gramatvedibas-likums 2. Accounting. A Simple Guide to Financial and Managerial Accounting for Beginners / Kevin Ellis. - Amazon Fulfillment, 2019. - 133 [10] p. 3. Accounting and Finance, an Introduction. - Eddie McLaney, Peter Atrill. - 9th ed. - Harlow UK: Pearson, 2018. - 873 p. 4. Accounting Made Simple / Mike Piper. - Amazon Fulfillment, 2013. - 103 p. 		
Additional reading:		
<ol style="list-style-type: none"> 1. LR Saeima. Law on annual reports and consolidated annual reports: valid from 01.01.2016. Available: http://likumi.lv/ta/id/277779-gada-parskatu-un-konsolideto-gada-parskatu-likums 2. Regulations on the application of the Law on Annual Reports and Consolidated Annual Reports, Cabinet Regulations No. 775, 22.12.2015. Available: http://likumi.lv/ta/id/278844-gada-parskatu-un-konsolideto-gada-parskatu-likuma-piemerosanas-noteikumi 3. Regulations of the Cabinet of Ministers of the Republic of Lithuania No. 877, Accounting rules. Available: https://m.likumi.lv/ta/id/328707-gramatvedibas-kartosanas-noteikumi 4. Rules of the MK of the Republic of Lithuania No. 625 Requirements for justification documents of cash receipts and cash expenses and for keeping a cash book: valid from 01.01.2022. Available: https://likumi.lv/ta/id/326207-prasibas-kases-ienemumu-un-kases-izdevumu-abdzejuma-dokumentiem-un-kases-gramatas-kartosanai 5. LR Law on Taxes and Fees, effective from 01.04.1995. Available: https://likumi.lv/doc.php?id=33946 6. Accounting Made Simple: Accounting Explained in 100 Pages or Less / Mike Piper. - Amazon Fulfillment, 2013. - 103 p. 7. Cost Accounting and Financial Management / Len Holm. - Routledge, Taylor & Francis Group, 2019. - 301 p. 		
Other sources of information:		
<ol style="list-style-type: none"> 1. Balance magazine 2. Magazine: "The Economist" 3. Journal "Accounting and Economics" 4. The website of the State Revenue Service of the Republic of Lithuania: http://www.vid.gov.lv 5. BSA EBSCO (database) 		
Changes and additions to the program and literature list are possible during the study process		