Course Descriptions None 2024-2025

Course Title	Accounting
Course Code	BENC2010
ECTS Credits	5,0
Assessment	Whole/Half Grades

Period

Period	Start	End	Mon	Tue	Wed	Thu	Fri
4	3-2-2025	30-3-2025		X		X	L

Level	Introductory
Coordinator	Nico Bloumis For more information:n.bloumis@maastrichtuniversity.nl
Language of instruction	English
Goals	* Learn how to prepare financial statements (income statement, balance sheet, cash flow statement) using International Financial Reporting Standards (IFRS). * Understand how managerial judgement plays a role in selecting accounting methods and measurement. * Identifying what the costs of different business activities are. * Decision making using cost-benefit guidelines. What is the most profitable way of organizing my business? What kind of information is relevant for certain decisions, and which kind is not? * Analyzing why cost-benefit estimations do not turn out to be as planned (Budgeting and variance analysis). Where did we go wrong and who is responsible for it?
Description	The aim of this course is to introduce accounting. Accounting is a broad terms but when someone says they are an "accountant" this can mean that they could be a financial accountant, a management accountant, an auditor, or a forensic accountant, to name a few. In our course, we will focus mainly on financial accounting. In financial accounting, we record all the daily business transactions and transform them into useful information. This information is then used by external decision makers to make economic decisions. To make it easy for external users, the financial information must be presented in a standard format and businesses must adhere to accounting rules and regulations (principles based). The most important outcome of financial accounting is the annual report (or the semi-annual or quarterly report). An annual report contains the entity's financial statements and the notes to these financial statements. Although the entities have to adhere to the accounting rules, they also have the freedom to make their own financial reporting decisions, because accounting standards leave considerable flexibility. Furthermore, accounting standards frequently require entities to make estimates. These choices and estimates that the entity makes can have a significant impact on its financial statements. Flexibility in financial reporting is required so that the entity can give an accurate picture of their performance and financial position. Insiders (managers) are believed to know best what is going on in the business. However, this flexibility can also be abused or mis-used to the insiders own advantage as illustrated by the wave of accounting scandals in the early 2000s. These scandals illustrate the importance of reliable financial statements to external users. In this course, we will discuss some of the incentives that managers may have to manipulate earnings, using real-life cases. In doing so, we hope to teach students to critically reflect on the accounting choices that an entity and their managers make, so that they are able to form their own opinion about the financial position and performance. Understanding the basic principles underlying ‘the language of business' is essential to anyone who will be involved in the preparation (e.g., entrepreneurs and founders of start-ups, financial controllers), monitoring (e.g., supervisory board members, auditors, stock market regulators), analysis (e.g., financial analysts, consultants), or use (e.g., venture capitalists, governments, private shareholders, bondholders, customers, suppliers) of financial accounting information. In short, accounting knowledge is essential for any student in Business Engineering.
Literature	Weygandt, Kimmel, and Kieso (2019) Financial Accounting with International Financial Reporting Standards, 4th edition, Wiley
Prerequisites	
Keywords	
Teaching methods	PBL / Presentation / Lecture / Assignment / Papers / Groupwork / Coaching
Assessment methods	Attendance / Participation / Assignment / Computer test / Presentation
Evaluation in previous academic year	For the complete evaluation of this course please click http://iwio-sbe.maastrichtuniversity.nl/rapporten.asp?referrer=codeUM

This course belongs to the following programme / specialisation

Bachelor Business Engineering	Year 2 Elective Course(s)
SBE Exchange Bachelor	Bachelor Exchange Courses
SBE Exchange Master	Bachelor Exchange Courses