

**MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE**

**SIMON KUZNETS KHARKIV NATIONAL UNIVERSITY OF ECONOMICS**

# **ACCOUNTING FOR FOREIGN TRANSACTIONS**

**Syllabus**

**for Bachelor's (first) degree**

**students of speciality 292 "Foreign Economic Relations"**

**Kharkiv**

**S. Kuznets KhNUE**

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*Самостійне електронне текстове мережеве видання*

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The theme plan and content of the academic discipline are given according to the modules and themes. Plans of lectures, seminars and practical trainings, methodological guidelines for independent studies are proposed. Assessment criteria for students' knowledge evaluation are provided.

For Bachelor's (first) degree students of speciality 292 "Foreign Economic Relations".

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# Introduction

The activity of entrepreneurs is impossible without a clearly established system of accounting for foreign transactions. Accounting serves for monitoring, recording, and analyzing information about assets of a company, its liabilities and facts of economic activity, as well as financial results. Users of financial accounting information are primarily external parties, such as potential investors, suppliers and buyers, banks, tax and other government agencies.

Accounting on the basis of continuous documenting of business transactions provides users with financial information required for decision making. The main purpose of auditing is to check the correctness of accounting data. While an accountant creates economic information in the form of financial statements, an auditor increases the reliability of these data by means of independent review. The result of auditing is the auditor report on the accuracy and reliability of financial statements and their compliance with the established principles of accounting.

The main **purpose** of the academic discipline "Accounting for Foreign Transactions" is to supply the future managers with fundamental knowledge of the conceptual foundations of accounting for foreign transactions as a base for effective management decisions.

The **subject** of the discipline is a complex of assets, liabilities and stockholder equity of a company and business process that leads to changes in assets, liabilities and stockholder equity.

The **task** of the discipline is training students to acquire skills in the following:

- theoretical foundations of accounting for foreign transactions and their modern paradigm in the enterprise management system;

- methods of accounting for foreign transactions;

- principles of the drawing up of documents and auditing of business transactions and processes;

- formation of information about foreign transactions in order to help managers in decision making;

- evaluation of economic resources and sources of their formation, as well as their reliability in the reporting;

- establishing an effective accounting and control systems;

- identification of significant accounting for foreign transactions data that influence the effectiveness of managerial decisions;

monitoring of existing information systems of accounting for foreign transactions;

adjustment of existing trends for more efficient management.

The result of studying the discipline is the formation of the professional competence of accounting for foreign transactions as a tool for making management decisions.

The structure of the syllabus of the academic discipline "Accounting for Foreign Transactions" is shown in Table 1.

Table 1

### The structure of the academic discipline

Academic discipline: bachelor programme	Speciality; academic degree	Academic discipline features
Number of credits according to the ECTS: 5, including: thematic modules: 2		Obligatory Academic year: 3 Term: 2(6)
Hours in the thematic modules: Module 1: 76 hours, Module 2: 74 hours, total: 150 hours	Speciality 292 "International Economic Relations"	Lectures (theoretical training) : 32 hours. Practical (seminar) studies: 32 hours. Independent training: 86 hours
Weeks of teaching the academic discipline: 16	Academic degree: first (bachelor)	Assessment: examination

In the course of studies students receive the necessary knowledge and skills in class (at lectures and seminars) and during individual and independent training.

## 1. The qualifying requirements to students on the academic discipline "Accounting for Foreign Transactions"

The theoretical base of the academic discipline "Accounting for Foreign Transactions" is made up of the academic disciplines "Management" and "Economics of an Enterprise". The discipline is studied in connection with the discipline "Economic Analysis" and focuses on the achievement of the synthesis of theory and practice, which promotes students to master certain skills. As a result, a student must possess competences described in Appendix A.

## 2. The plan of themes on the academic discipline

From the beginning of studying the discipline every student ought to be acquainted with the syllabus of the discipline and methods of conducting studies, with the form, content and extent of every module, and also with all types of control and methods of assessment of knowledge.

The process of learning consists in the consecutive and detailed working on the educational modules. The educational module in the content and interrelations is nearly a separate independent block of the discipline.

The plan of themes on the academic discipline "Accounting for Foreign Transactions" includes two modules (Table 2).

Table 2

### The structure of the test credit of the academic discipline

Theme	The number of hours		
	Lectures	Practical studies	Independent studies
<b>Module 1. The fundamentals of accounting</b>			
Theme 1. The principles of accounting	2	2	8
Theme 2. The accounting method	4	4	8
Theme 3. Organization of accounting for business activity of an enterprise	2	2	8
Theme 4. Accounting for major business processes of legal entities	8	8	20
Total for Module 1	16	16	44
<b>Module 2. Accounting and taxation of key foreign transactions</b>			
Theme 5. The methodological and regulatory framework of accounting and financial reporting for foreign transactions	4	4	8
Theme 6. Accounting and taxation of export and import transactions	6	6	20
Theme 7. Accounting for foreign cash	4	4	8
Theme 8. Accounting for foreign currency investments and loans	2	2	6
Total for Module 2	16	16	42
Total for the discipline	32	32	86

### **3. The content of the academic discipline according to the modules and themes**

#### **Module 1. The fundamentals of accounting**

##### **Theme 1. The principles of accounting**

*1.1. The essence of accounting, its features. The purpose, functions and types of accounting.*

General characteristics of accounting, its origins and development. Historical conditionality for accounting, the dependence of the content, goals and objectives of the accounting system upon the economic mechanism of the legal entity. Statistical, operational and technical accounting and taxation: features and scope. Natural, labor and cash accounting measure units: description and scope. The currency used in financial statements. The place of accounting among the sciences. The functions of accounting. The essence and the content of financial and management accounting.

*1.2. State regulation of accounting.*

The main regulations that govern the accounting, compilation and submission of financial statements of domestic companies. The Law of Ukraine "On Accounting and Financial Reporting in Ukraine", national standards of accounting, their meaning and role in the formation of the accounting system.

*1.3. The subject and the objects of accounting.*

The subject of accounting.

The objects of accounting: resources and sources of their formation, the processes of acquisition, manufacturing, sales. Dependence of accounting objects upon industry and ownership peculiarities.

*1.4. Assets of enterprises.*

Description and classification of assets. The types and the general definition of fixed and current assets.

*1.5. Stockholders' equity of an enterprise.*

Sources of an enterprise's own assets, their nature and the general definition. Types of stockholders' equity. Main source documents and register books used for accounting of stockholders' equity availability, increase and decrease in stockholders' equity of a legal entity.

### *1.6. Liabilities of an enterprise.*

Sources of borrowed funds, their classification. The essence and the general characteristics of current and long-term liabilities, contingent liabilities, backings for future expenses and deferred credits. Main source documents and register books used for accounting of increase and decrease in liabilities of a legal entity.

### *1.7. Business activities as accounting objects.*

The general understanding of business processes as objects of accounting. The processes of acquisition, production and sales. Registration and estimation of revenue, expenses and financial results.

### *1.8. Accounting concepts, principles and assumptions.*

The content and purposes of the concepts, principles and assumptions of accounting. Logical intercommunication of the concepts, principles and assumptions of accounting.

## **Theme 2. The accounting method**

### *2.1. The general concept of the accounting method and its components.*

The accounting method. The elements of the accounting method: documentation and stock-taking, accounts and double entry, evaluation and calculation, balance and financial statements.

### *2.2. Balance as an element of the accounting method.*

The accounting method for displaying and summarizing information, its essence and purpose. The concept of the balance sheet as a way to display the generalized availability of resources. The purpose of the balance sheet. Types of balance sheets.

The structure and drawing up of the balance sheet: assets and equities, balance sheet items. Balance equation.

The information content of the balance sheet, its analytical properties. Grouping of balance sheet items and their rating. Balance sheet total, the periodicity of drawing up financial statements.

### *2.3. Types of business transactions and their impact on the balance sheet.*

Types of business transactions and their impact on the structure and total of the balance sheet. The economic essence of an account, the importance and role of accounts for accounting. The structure of accounts: debit, credit, turnover, beginning and ending balances.

*2.4. The method of double entry on accounts. Correspondence of accounts and accounting records.*

The method of double entry on accounts. Justification of double entry, its reference value. The relationship between accounts and the balance sheet.

Correspondence of accounts. Accounting records (entries), their types.

The procedure for computing turnover, beginning and ending balances for different accounts.

*2.5. Synthetic and analytical accounting.*

Synthetic accounts and their purpose. Analytical accounts and their purpose. The relationship between synthetic and analytical accounts. The concept of sub-accounts and its usage.

*2.6. Generalization of information accumulated via current accounting.*

Generalization of data of current accounting. Turnover balance sheets on synthetic accounts, its content and order of performing. Information and reference value of turnover balance sheets on synthetic accounts.

Working sheets on the analytical accounts, their types and purpose.

The relationship of the data of synthetic and analytical accounting.

*2.7. Accounts, their importance and role for accounting.*

The principles for classification of accounts. Classification of accounts depending on the economic content. Classification of accounts based on the intended purpose and structure.

*2.8. The chart of accounts.*

*The chart of accounts*, the principles of its structure. Characteristics of the chart of accounts. The concept of the individual chart of accounts of an enterprise.

*2.9. Documentation as an element of the accounting method.*

Initial observations in accounting. The essence of the documentation as the element of the accounting method. The value of documentation. Requirements for document's content and format. Tangible forms of primary accounting information. The order of acceptance, verification and processing of documents. Classification of documents depending on the purpose and place of drawing them up, other features.

*2.10. Stock-taking as an element of the accounting method.*

The essence of stock-taking as the element of the accounting method. The purpose and objectives of stock-taking. Types of stock-taking. The general procedure for conducting and documenting of stock-taking.



### *2.11. Evaluation and calculation in accounting.*

Evaluation as a system of value measurement. The essence and importance of evaluation. The evaluation of accounting objects.

The essence of calculation in accounting.

## **Theme 3. Organization of accounting for business activity of an enterprise**

### *3.1. An accounting cycle.*

The essence of an accounting cycle. Initial, current and summarizing accounting.

### *3.2. Accounting registers, their essence and importance.*

Accounting registers, their nature and importance for a system of accounting records. Types and forms of accounting registers. Chronological, systematic and combined accounting records. Modification of accounting records under the conditions of use of computer programs. Standardization and unification of accounting records. Ways to correct errors in accounting records.

### *3.3. Forms of accounting and their essence.*

The forms of accounting, their nature and historical development. The memorial-order, the journal-order, the automated forms of accounting. Ways to improve the forms of accounting.

### *3.4. Accounting policies.*

The essence and purpose of accounting policies of the enterprise. Factors that impact on the choice of accounting policy. Functions of the chief accountant in the organization and accounting of a trading enterprise activity.

Methodological, technical and organizational aspects of accounting policies. Changes in accounting policies. Recording the accounting policies in the notes to financial statements.

## **Theme 4. Accounting for major business processes of legal entities**

### *4.1. The process of acquiring of material assets.*

The general characteristics of the process of acquisition of material assets.

### *4.2. Accounting for the acquisition of fixed assets.*

Fixed assets of an enterprise: objectives of accounting, classification, grouping based on the type, the nature of exploitation in the production process, the degree of exploitation, the industries and accessories. Evaluation of fixed assets.

Documentation of the acquisition of fixed assets. Evaluation of fixed assets acquired for fee. Accounts for recording the acquisition of fixed assets. The order of recording the acquisition of fixed assets in accounting.

#### *4.3. Accounting for the acquisition of intangible assets.*

Intangible assets, their composition and classification. Recognition of intangible assets. Primary documentation of accounting for intangible assets. Evaluation of intangible assets acquired for fee. Accounts for recording the acquisition of intangible assets. The order of recording the acquisition of intangible assets in accounting.

#### *4.4. Accounting for the acquisition of inventory.*

Identification and initial evaluation of inventory. Classification, measure units of accounting for inventories, the primary cost components.

Documentation of the acquisition of inventory. Accounting for receiving inventory from suppliers. Accounting for inventories obtained from production. Accounts for recording the acquisition of inventory. The order of recording acquisition of inventory in accounting. Analytical accounting for inventory. Accounting for inventory in warehouses and storerooms. Accounting documents for inventory: the inventory balance sheet, the material report, the inventory turnover balance sheet.

#### *4.5. Accounting for the acquisition of low value items.*

Definition and classification of low value items. Documentation of transactions and analytical accounting for acquisition of low value items. Book entries for acquisition of low value items.

#### *4.6. Accounting for sales and financial results.*

Accounts for recording sales and costs. The cost of goods sold. The cost of output sold. Accrual of revenues and expenses. Book entries for sales.

Accounting for administrative expenses, sales and other operating expenses. Evaluation of financial results based on the operating activities.

## **Module 2. Accounting and taxation of key foreign transactions**

### **Theme 5. The methodological and regulatory framework of accounting and financial reporting for foreign transactions**

#### *5.1. The essence and key features of transactions in foreign currency.*

The definitions of the terms "foreign currency", "foreign currency transactions", "exchange rate". Opportunities and risks in foreign trade operations. State regulation bodies for foreign trade activities in Ukraine.

*5.2. The types of foreign trade operations. The peculiarities of carrying out foreign trade operations.*

Commercial, financial, investing and other transactions with foreign companies. Peculiarities of marketing of travel services in Ukraine and worldwide. Advantages and disadvantages of intermediaries for foreign trade transactions for Ukrainian companies.

*5.3. Documentation of foreign trade agreements.*

The concept of a foreign trade contract and the order of execution. The basis of delivery "Incoterms-2010" as a prerequisite for a foreign trade contract. Proper execution of the contract. The main groups of documents that accompany the implementation of a foreign trade contract, and peculiarities of their composition and processing.

*5.4. Legal requirements for currency exchange and foreign trade operations.*

Features and problems of exchange transactions. Key data and procedure for transfer of foreign exchange transactions into national currency. The concept of cross-rate. Legislation governing currency exchange and foreign trade operations.

*5.5. The key principles of accounting for foreign transactions according to the national standards of accounting.*

National standards governing settlements and accounting for foreign currency transactions of Ukrainian companies. The basic concepts and terms of accounting for transactions in foreign currency: reporting currency, monetary balance sheet items, non-monetary balance sheet items, the exchange gains and losses.

*5.6. The accounting procedure for recognition of exchange gains and losses.*

Accounting principles and rules established for transactions denominated in foreign currency by the National Standards of Accounting 21 "The Impact of Foreign Exchange Rates Changes", 9 "Supplies", 15 "Revenue and Gains", 16 "Expenses and Losses". The principles of evaluation of accounts receivable and accounts payable in foreign trade. The impact of exchange gains and losses on the financial result of foreign trade operations. Accounts, intended for recognition of exchange gains and losses according to the national chart of accounts.

*5.7. The procedure for opening foreign currency accounts in authorized banks of Ukraine.*

The procedure and technique of opening accounts in authorized banks in foreign currency. Classification of accounts and their role. The features of trading and non-trading operations. The features of evaluation of foreign currency cash in a company. The weighted average exchange rate.

#### *5.8. The Classifier of Foreign Currencies and Bank Metals.*

The structure and purpose of the application of the Classifier of Foreign Currencies and Bank Metals. The features of the first group of the Classifier.

### **Theme 6. Accounting and taxation of export and import transactions**

#### *6.1. The general scheme of accounting for exports.*

Organization of accounting consignments with producers or manufacturers. Primary documents for export transactions. Basic terms of delivery. Accrual and reporting of revenues and expenses associated with the export of goods on the basis of National Standards of Accounting 15 "Revenue and Gains" and 16 "Expenses and Losses". Exchange gains and losses procedure for export of goods and services.

#### *6.2. The general scheme of accounting for imports.*

The order of formation of the book value of imported goods on the basis of the National Standard of Accounting 9 "Supplies". Assessment, recording and representing in reports of the debts arising as a result of import contracts. The features of import transactions through intermediaries in foreign markets. Forms of payment calculations used in import contracts. The features of import duties and value added tax in the customs clearance of goods imported into the territory of Ukraine.

#### *6.3. The procedure for recognition and calculation of the income tax.*

Formation of the tax base in the foreign operations. The order of taxation of exchange gains and losses. Taxation of transactions associated with buying and selling of foreign currency.

#### *6.4. The procedure for recognition and calculation of VAT in foreign trade operations of companies.*

The features of calculation and payment of VAT on export and import operations. The concept of the "zero" rate of VAT on exports. Ways to pay VAT on imports. The concept, the procedure for issuing and representing VAT discounting on import.

## **Theme 7. Accounting for foreign cash**

### *7.1. The procedure for accounting of acquisition of foreign currency.*

Organization and accounting for foreign purchase of currency through an authorized bank. The procedure for filling in the application for purchase of currency. Book value of foreign currency. Methods for determining the accounting value of a currency. Peculiarities of foreign currency exchange.

### *7.2. The procedure for accounting of selling of foreign currency.*

Organizing and documenting the sale of foreign currency in the interbank market. The procedure for recognition of gains and losses arising from transactions in foreign currency. The difference between the book value of foreign currency and the amount of national currency received as equivalent of the sold currency as a result of a sale transaction in the interbank market.

### *7.3. The principles of accounting cash transactions in foreign currency.*

Basic requirements and restrictions applied to operations with cash in foreign currency. The purposes of the use of foreign currency. Restrictions on the amount of currency that can be transported across the customs border of Ukraine. The features and order of declaration of foreign currency abroad. Regulations governing the accounting for cash transactions.

### *7.4. The principles of recording of foreign currency payments.*

The issuance and recording of cash on account. Procedures for disposal of cash in foreign currency. Payments for trips abroad. Returning unused foreign cash. The procedure for recognition of expenses for business trips of employees.

## **Theme 8. Accounting for foreign currency investments and loans**

### *8.1. The procedure of accounting for loans received from residents and non-residents in foreign currency.*

The documentation of loan transactions. Representing the foreign currency long-term and short-term loans in accounting and financial reports. The procedure for calculation and payment of interest on loans in foreign currency. Recognition of exchange gains and losses on the principal amount and accrued interest.

### *8.2. The procedure for registration of foreign currency deposits.*

Types of deposits. Regulations governing the implementation and accounting of operations with foreign currency deposits. The procedure for

calculating exchange gains on deposits. Peculiarities of taxation and revenue earned on deposits in foreign currency.

#### 4. The plan of practical studies

A practical study is a form of lesson, at which the teacher organizes detailed consideration of certain theoretical issues of the academic discipline and forms the necessary abilities and skills through individual tasks to be carried out by students in order to be able to put them into practice.

The themes of practical studies are represented in Table 3.

Table 3

#### The plan of practical studies

Theme of practical studies	Hours	Bibliography
Module 1. The fundamentals of accounting		
1. State regulation of accounting; objects of accounting; accounting concepts, principles and assumptions	2	Main: [1 – 9]; additional: [10 – 20]
2. Types of business transactions and their impact on the balance sheet. Correspondence of accounts and accounting records	4	Main: [1 – 9]; additional: [10 – 20]
3. Forms of accounting and their essence	2	Main: [1 – 9];
4. Accounting for the acquisition of fixed assets. Accounting for the acquisition of inventory. Accounting for sales and financial results	8	Main: [1; 9]; additional: [10 – 20]
Module 2. Accounting and taxation of key foreign transactions		
5. The procedures for bookkeeping of exchange gains and losses	4	Main: [5; 8]
6. Accounting and taxation of export and import transactions	6	Main: [5; 8]
7. Accounting for purchase and sale of foreign cash	4	Main: [5; 8]
8. Capital stock in foreign currency: principles of accounting and reporting	2	Main: [5; 8]

A practical study is carried out with the help of preliminary prepared methodical materials – tests for assessment of the mastery of theoretical issues, a set of practical problems of various levels of sophistication.

A practical lesson includes the preliminary control of students' knowledge, abilities and skills, raising a general point to be discussed with the participation of students, solving and assessment of test problems.

Marks gained at practical studies are taken into account in the current module control on the academic discipline. An example of practical task is given in Appendix B.

## **5. Independent work of students**

Students' independent work on domestic and foreign special economic literature, standard acts concerning governmental regulations of accounting for foreign transactions is necessary for successful learning. Independent work is the basic way of mastering the educational material during the time free from compulsory lessons. The basic types of independent work which are offered to the students are as follows:

1. In-depth study of lecture material.
2. Work with reference sources and additional literature.
3. Study of basic terms and concepts concerning the accounting for foreign transactions.
4. Training for seminar and practical studies, discussions, work in small groups.
5. Final control of the personal knowledge with the help of the questions for independent in-depth study and self-assessment.
6. Performing a term paper.

### **Module 1. The fundamentals of accounting**

#### **Theme 1. The principles of accounting**

##### **Questions for independent in-depth study**

1. The history of accounting.
2. The structure of accounting.
3. Classification and relationship of enterprise resources and sources of their formation.
4. The types of balance sheet and the history of its forms.
5. The relationship between the system of accounts and balance.
6. The composition of long-term financial investments.
7. The composition of the current financial investments.
8. The essence of capital investments and their purpose.

9. The essence of long-term receivables and conditions under which they occur.
10. The composition of fixed assets.
11. Methods of depreciation of fixed assets used in practice.
12. Similarities and differences between such economic categories as depreciation and amortization.
13. Options for determining reserves for doubtful debts.
14. The composition and recording of other noncurrent assets.
15. Intangible assets and their reassessment.
16. The role of inventories in the operating activity of enterprises and organizations.
17. Classification of inventory.
18. The emergence of deferred tax assets or liabilities.
19. Long-term loans and their types.
20. The composition of deferred income.

### **Themes for essays**

1. International organizations dealing with the organization and standardization of accounting and reporting.
2. The essence of national standards of accounting.
3. The conceptual basis of accounting.
4. The essence and the most important features of accounting.
5. The principles of accounting.
6. The purpose of management accounting.
7. The main factors that determine the accounting policy.
8. Prospects for the development and improvement of accounting.
9. The historical base of development of accounting, the dependence of the accounting system on the content, goals and objectives of the economic mechanism of an enterprise.
10. Regulations governing the procedure for accounting, compilation and submission of financial statements of Ukrainian enterprises.
11. The dependence of the objects of accounting on the branch management features and forms of ownership.
12. The essence and importance of international accounting standards.
13. Harmonization and standardization as ways to accommodate differences in national systems of accounting and financial reporting.

**Bibliography:** main: [1; 3; 6; 7]; additional: [14; 18; 19; 21].



## **Theme 2. The accounting method**

### **Questions for independent in-depth study**

1. Classification of accounts.
2. The features and main stages of the workflow at the enterprise.
3. Classification of accounting records.
4. Analytical accounts and their purpose.
5. The relationship between synthetic and analytical accounts.
6. The concept of sub-accounts and its usage.
7. Balance sheets on synthetic accounts, its content and order of performing.
8. Information and reference value of turnover balance sheets on synthetic accounts.
9. Working sheets on the analytical accounts, their types and purpose.
10. Classification of accounts depending on the economic content.
11. Classification of accounts based on the intended purpose and structure.
12. Requirements concerning the content and format of documents.
13. Tangible forms of primary accounting information.
14. The order of acceptance, verification and processing of documents.
15. The evaluation of accounting objects.

### **Themes for essays**

1. The concept of the individual chart of accounts of an enterprise.
2. The procedure for opening accounts in local and foreign currencies at banking institutions.
3. The relationship of data in synthetic and analytical accounting.
4. The general procedure for conducting and documenting of stock-taking.

**Bibliography:** main: [1; 3; 4; 7]; additional: [14; 18].

## **Theme 3. Organization of accounting for business activity of an enterprise**

### **Questions for independent in-depth study**

1. Classification of documents used for documenting the events of business activity.

2. Information content of the balance sheet, its analytical properties.
3. The purpose of preparation, information properties, methods and sources of performing the statistical reports.
4. The purpose of preparation, information properties, methods and sources of indicators, that are required by tax reporting.
5. The procedure for submission and publication of financial statements.
6. Requirements and procedures for disclosure of the results of correcting errors that occurred in the notes to the financial statements in previous periods.
7. The conditions under which a change in accounting policy is required.
8. The purpose and procedure for calculating the profitability of the shares in the report on financial results.
9. Disclosure of the information on shares and dividends in the notes to financial statements.
10. The consolidated financial statements: the nature, necessity and sequence of performance.

### **Themes for essays**

1. Accounting of the production process. Documentation, analytical and synthetic accounting of inventories used in the production process.
2. The features of the structure of the national accounting systems. Classification of the accounting models.
3. The factors that determine the choice of accounting policies of the enterprise.
4. The value of the Decree about the Enterprise Accounting Policies for the organization of accounting
5. The information value and consistency of cash flow reporting.
6. Consolidated reports and their difference from the consolidated financial statements.
7. The method of forming financial statements by small businesses.

**Bibliography:** main: [1; 3; 7]; additional: [14; 18].

### **Theme 4. Accounting for major business processes of legal entities**

#### **Questions for independent in-depth study**

1. The basic principles of noncash payments.

2. The essence of bookkeeping and displaying the available forms of payments in Ukraine.
3. Cash equivalents and keeping records of them.
4. Analytical accounting of fixed assets.
5. The essence of capital investment for purchase of fixed assets.
6. The accounting for revaluation of fixed assets.
7. Accounting for leasing of fixed assets.
8. The impact of inflation on the state accounting of fixed assets and intangible assets.
9. Accounting for other noncurrent tangible assets.
10. The composition of intangible assets.
11. Maintaining depreciation and amortization of intangible assets.
12. Preparation of accounting entries of receipts and disposals of intangible assets.
13. Methods of disposal of stocks.
14. Documenting the receipt and depreciation of inventories.

### **Themes for essays**

1. The composition of production costs. Formation of the cost of finished products.
2. Accounting for the presence and movement of short-term financial investments.
3. Accounting for cash equivalents (stocks, bonds, certificates of deposit).
4. Accounting for payments on promissory notes received for the sold goods, works and services.
5. Primary documents, analytical and synthetic accounting of payments to various debtors.
6. The necessity, the essence and registers of analytical accounting for inventories.
7. Synthetic and analytical accounting for deferred charges.
8. Indexation, revaluation and price reduction of the carrying value of fixed assets.
9. Accounting for capital investment.
10. Accounting for fixed assets received free of charge.
11. Accounting for proceeds of fixed assets upon receipt in exchange for dissimilar objects.

12. Accounting for proceeds of fixed assets as a contribution to capital.
13. Accounting for fixed assets in the lease.
14. Accounting for long-term financial investments.
15. Long-term receivables, the essence, the distinctive features, stock and accounting.
16. Accounting of deferred tax assets.
17. Analytical and synthetic accounting of issued notes.
18. Analytical and synthetic accounting for deposited wages.
19. Accounting for long-term liabilities on bonds.
20. Accounting for long-term liabilities of finance lease.
21. Accounting for transactions in the formation and use of various types of equity companies.
22. Composition of provisions for liabilities and charges, their analytical and synthetic accounting.
23. The procedure for calculating operating costs for economic elements.

**Bibliography:** main: [1 – 3; 7]; additional: [13 – 16].

## **Module 2. Accounting and taxation of key foreign transactions**

### **Theme 5. The methodological and regulatory framework of accounting and financial reporting for foreign transactions**

#### **Questions for independent in-depth study**

1. The basic principles of foreign economic activity.
2. Foreign policy and its implications for the development of foreign trade activities of Ukrainian companies.
3. Current trade and non-trade transactions in foreign currency.
4. Causes and consequences of acknowledgment of an external contract to be invalid.

#### **Themes for essays**

1. The order of moving currency out of Ukraine, payment documents and other bank documents required for foreign exchange and transactions with precious metals.
2. Penalties for violating currency laws.

**Bibliography:** main: [5; 6; 8]; additional: [10 – 22].

## **Theme 6. Accounting and taxation of export and import transactions**

### **Questions for independent in-depth study**

1. The features of making an act of providing agent services to non-residents.
2. The procedure for exchange control operations of the tourism industry companies.
3. The features of accounting for services imported.
4. The procedure for registration of tickets.

### **Themes for essays**

1. The features of importing excise goods into the territory of Ukraine.
2. The procedure for calculating the VAT refund on export.

**Bibliography:** main: [5; 6; 8]; additional: [10 – 22].

## **Theme 7. Accounting for foreign cash**

### **Questions for independent in-depth study**

1. Accounting and taxation of the acquisition of foreign currency for another foreign currency.
2. The features of a trading session.

### **Themes for essays**

1. The features of recording calculations using corporate bank cards.
2. The features of declaration of cash in foreign currency moved outside Ukraine.

**Bibliography:** main: [5; 6; 8]; additional: [18 –22].

## **Theme 8. Accounting for foreign currency investments and loans**

### **Questions for independent in-depth study**

1. The features of recognition of costs on credit transactions in foreign currency.
2. The features of accounting and taxation of deposits in foreign currency in foreign financial institutions.

## Themes for essays

1. The features of statistical statements on foreign transactions.
2. The features of analysis of financial statements on foreign transactions.

**Bibliography:** main: [5; 6; 8]; additional: [15; 18 – 22].

## 6. Questions for self-assessment

### Module 1. The fundamentals of accounting

#### Theme 1. The principles of accounting

1. What are the main tenets of L. Pacioli?
2. Describe the main periods of development of accounting.
3. What is the economic consideration?
4. What are the main types of accounting?
5. Define accounting.
6. What types of measuring instruments are used in accounting?
7. What is the subject of accounting?
8. What are the main objects of accounting?
9. Classification of enterprise resources.
10. Define the assets of a company.
11. Classify the sources of enterprise resources.
12. What is the method of accounting?
13. What are the basic elements of accounting, what is their essence?
14. Define the liabilities of an enterprise.
15. What regulations govern the organization of accounting in Ukraine?
16. Who is responsible for methodology of regulation of accounting in Ukraine?
17. What are the National Standards of Accounting?
18. On what fundamental principles are accounting and financial reporting based?

**Bibliography:** main: [1; 3; 6; 7]; additional: [14; 18; 19; 21].

## Theme 2. The accounting method

1. What is a balance sheet?
2. The structure of the balance sheet.
3. How is the amount of the company equity determined?
4. Name four types of changes in the balance sheet under the influence of business operations.
5. What are accounting records?
6. Describe T-accounts. What is their purpose?
7. What is an assets and equities account?
8. Ways to determine the ending balance on an assets account.
9. Ways to determine the ending balance on an equities account.
10. Determine the nature of double entry.
11. What is a mail account?
12. What is an accounting entry?
13. What distinguishes the simple book entry of a complex?
14. Name the algorithm of accounting entries.
15. What is synthetic accounting for the enterprise resources, their sources and business processes?
16. Why does an enterprise need the analytical accounts?
17. What is the relationship between the synthetic and analytical accounting?
18. What is the relationship between the accounts and balance?
19. For what purpose is stock-taking conducted?
20. What are the types of stock-taking?
21. How are the results of stock-taking documented?
22. On what grounds are accounts of accounting classified?
23. What is the classification of accounts in terms of their economic content?
24. How are the accounts classified depending on the structure and purpose?
25. What appears on the off-balance sheet accounts?
26. Define inventory accounts.
27. Define regulatory accounts
28. What are the characteristics of the stock accounts?

29. Why is it necessary to use the income summary account?

30. What is a transit account?

**Bibliography:** main: [1; 3; 4; 7]; additional: [14; 18].

### **Theme 3. Organization of accounting for business activity of an enterprise**

1. What are the main requirements to the accounting records?

2. What are the mandatory details that an accounting document must have?

3. Is it possible to make corrections in accounting documents?

4. Give the classification of accounting documents.

5. What is workflow?

6. What are the main stages of the workflow at the enterprise?

7. What are the user registers?

8. On what bases are record registers classified?

9. What details should accounting records have?

10. What is meant by the forms of accounting?

11. What are the main features of a simple form of accounting?

12. What are the main memorial registers?

13. What is the accounting period in financial reporting?

14. What are the ways to correct errors in accounting?

15. What information should be disclosed in the notes to the financial statements with respect to correcting errors that occurred in the previous periods?

16. What is the performance reporting date?

17. What deadlines are set for preparation of financial statements?

18. What is the accounting policy?

19. Who is responsible for accounting policy?

20. Who is responsible for the organization of accounting at the enterprise? What functions are assigned to the chief financial officer?

21. What factors influence the structure of a service company?

22. What responsibility is provided for the lack of accounting or keeping it in violation of the established order?

**Bibliography:** main: [1; 3; 7]; additional: [14; 18; 21].



## **Theme 4. Accounting for major business processes of legal entities**

1. Major accounting entries with cash on hand.
2. The accounting for payments to various debtors.
3. Estimation of fixed assets in the accounting and balance sheet.
4. Accounting for intangible assets.
5. Primary documentation on obtaining wealth from suppliers and for work performed and services provided by the contractor.
6. Accounting for the movement of inventories.
7. Analytical and synthetic accounting of inventory.

**Bibliography:** main: [1 – 3; 7; 8]; additional: [13 – 16; 23].

## **Module 2. Accounting and taxation of key foreign transactions**

### **Theme 5. The methodological and regulatory framework of accounting and financial reporting for foreign transactions**

1. What transactions are recognized currency transactions according to national legislation? What types of currency transactions can there be?
2. What is the difference between trading and nontrading operations of business entities in Ukraine?
3. Explain the concepts: reporting currency, exchange rate, monetary balance sheet, nonmonetary balance sheet items, the exchange difference.
4. What is the procedure for conversion of debts arising from import and export operations?
5. What is the technique for assessment of debt arising from advance payments in foreign trade?
6. What are the different kinds of currencies? What is the purpose of the Classifier? What obligations arise in business when company receives foreign currency of the Classifier first group?
7. How does a company hold an account in foreign currency in banks in Ukraine, what documents are needed for this?
8. Under what circumstances do exchange differences arise? How are they recorded in financial accounting and tax accounting?

**Bibliography:** main: [5; 6; 8]; additional: [10 – 22].

### **Theme 6. Accounting and taxation of export and import transactions**

1. What accounting principles govern export of goods?

2. What is the procedure for recording transactions on providing tourist services to foreign citizens in Ukraine?

3. What are special payments to foreign tour operators and tour agents in transactions of inbound and outbound tourism?

4. What is the order of getting the operator proceeds in foreign currency?

5. What is the accounting value of the imported goods?

6. What is the order of goods crossing the customs border of Ukraine? What documents are required for customs clearance?

7. What is the procedure for recording transactions on rendering tourist services to the citizens of Ukraine abroad?

8. What is the order of the book value recognition in a foreign currency?

9. What are the features of recording importer calculation of VAT in the case of the issuance of a tax bill?

10. What is included in tax expense and income when a travel company deal is made in foreign currency?

11. What is the procedure for calculation, payment and recording of mandatory government fees and charges associated with the export of goods and services?

**Bibliography:** main: [5; 6; 8]; additional: [10 – 22].

### **Theme 7. Accounting for foreign cash**

1. What is the procedure for accounting of cash buying and selling operations?

2. What additional obligations arise when a company purchases foreign currency?

3. What is the procedure of accounting for business trips abroad?

4. What is the procedure for usage of foreign currency outside Ukraine?

**Bibliography:** main: [5; 6; 8]; additional: [28 – 30].

### **Theme 8. Accounting for foreign currency investments and loans**

1. What is the procedure of accounting for financial operations in foreign currency?

2. What is the accounting for deposit transactions in foreign currency?

**Bibliography:** main: [1; 6]; additional: [24].

## 7. Individual consulting activities

Individual consulting is provided according to the schedule of individual work in the way of individual lessons, consultations, control and presentation of individual tasks, control and presentation of current module tasks et cetera.

The forms of individual consulting are the following:

a) after studying the theoretical material: individual consultations (question – answer) and group consultations (consideration of typical problems);

b) after studying the practical material: individual and group consultations;

c) for complex assessment of the studied material: individual presentations of the performed work; presentation of essays at a scientific seminar; performing essays for presentation at a scientific conference.

## 8. Methods of stimulation of studies

Teaching the academic discipline involves active and interactive methods of studies – business games, trainings, active seminars, consideration of cases, moderation (Table 5). The basic differences between active and interactive methods of studies on the one hand and traditional ones on the other hand are determined not only by the teaching technique, but also by high efficiency of the educational process which presupposes: high motivation of students; practical usage of theoretical knowledge; raised students' consciousness; bringing up the ability to make independent decisions; making a person capable for team-work; contribution to social integration; acquisition of disputing skills; nurturing the ability to compromise.

Table 4

### Types of methods for stimulation of studies

Method of stimulation	Where to use
1	2
<b>A problem-based lecture</b> is designed to develop logical thought of students and is characterized by limited points to argue (usually two or three key issues), usage of the experience of foreign academic institutions along with distribution of printed materials among students at the lecture	At the lectures. Module 1. Theme 3. Module 2. Theme 8

Table 4 (the ending)

1	2
During lectures students are sometimes asked questions <b>to be considered independently</b> , however the lecturer answers them himself, without expecting the answers of students. The system of questioning during the lecture compels students to be concentrated	Module 1. Theme 1. Module 2. Theme 5
<b>Work in small groups</b> is purposed to stimulate the work of students during seminar and practical studies. They are so-called groups of psychological comfort, where every member plays a special part and complements others with certain qualities. The use of this technology enables the lecturer to structure practical and seminar studies in form and context, creates possibilities for participation of every student in work under the theme of study, provides forming personal qualities and experience of social relations	At practical studies on the themes. Module 1. Theme 2. Module 1. Theme 4. Module 2. Theme 7
<b>A seminar-discussion</b> proposes exchange of views between participants concerning the offered theme, and also develops thought, helps to form views and beliefs, cultivates the ability to formulate and express ideas, teaches to estimate suggestions of other people, take a critical approach to their own opinion	At practical studies on the themes. Module 1. Themes: 1, 3 Module 2. Theme 5
<b>The case method (the method of analysis of specific situations)</b> enables the lecturer to bring the process of studying nearer to practical work of specialists and implies consideration of industrial, administrative and other situations, difficult conflict cases, problem situations, occurrences in the process of education	At practical studies on the themes. Module 1. Theme 4. Module 2. Theme 7.
<b>Familiarizing or initial games</b> are frequently used at the beginning of studies in order to create work environment disposing participants to group work	At the first practical study
<b>Brainstorming</b> is a method of solving urgent problems in undertime. Its point is to express as many ideas as possible in a small interval of time, to discuss them and choose the right ones	At practical studies on the themes. Module 1. Theme 1. Module 2. Theme 8
<b>A presentation</b> – making a speech – is used for demonstration of certain achievements, group work, reports on individual tasks	Presentation of case results on Module 2. Theme 8
<b>Moderation</b> is a method which helps groups to study themes, problems, tasks concentrating on the contents purposefully and effectively with independent participation of each student in a free corporate atmosphere. Moderation is a method of getting the discussion results quickly which gives all participants the possibility to take part in the process of decision making	At practical studies on themes. Module 1. Theme 2. Module 2. Theme 6

## 9. The system of current and final assessment

In the process of studies students get necessary knowledge when attending lectures and performing practical tasks. The assessment of students' knowledge, abilities and skills includes the following types of studies according to the syllabus of the academic discipline "Accounting for Foreign Transactions": lectures, practical studies, independent work and performance of individual tasks.

Control and assessment of students' knowledge is conducted in several ways: assessment of knowledge at practical studies; performing the tasks for independent work; intermediate tests; current module control; final written examination.

The assessment of students' knowledge at practical studies and performance of individual tasks is based on the following criteria:

1) understanding, the level of learning the theory and methodology of problems which are examined;

2) the level of learning the facts concerning the academic discipline;

3) acquaintance with the recommended reading and up-to-date literature, Internet sources on the issues under study;

4) the ability to combine theory with practice when solving realistic problems, performing tasks, making calculations for individual work and collective disputes;

5) logic, structure, style of representation of material in written papers while presenting reports, the ability to defend their own position, to generalize information and draw conclusions.

The excellent mark (12 points) is given if an individual task performed by a student or his verbal answer meets all five noted requirements. Absence of any constituent reduces the mark by the appropriate number of points. When assessing individual tasks, the quality, independence and timeliness of presenting the performed tasks to the lecturer (according to the schedule of the educational process) are taken into consideration. If some of the requirements are not met, the mark can be lowered. The assessment of knowledge during the performance of independent tasks is based on a 12-point scale.

Students' answers to theoretical questions and solutions to practical tasks are assessed based on the following criteria:

**12 points** are given for the profound learning of the subject; application of both the recommended and additional literature and a creative approach to

the answer; making good use of the terms and concepts, methods, methodology and instruments of accounting for foreign transactions, the ability to use them for fulfillment of concrete practical tasks, solving problems. The execution of the work must be accurate, logical and consecutive;

**11 points** are given for the profound learning of the subject; studying the recommended literature; making good use of the terms and concepts, methods, methodology and instruments of accounting for foreign transactions, the ability to use them for performing concrete practical tasks, solving problems. The execution of the work must be accurate, logical and consecutive;

**10 points** are given for the thorough learning of the subject and recommended literature; making good use of the terms and concepts, methods, methodology and instruments of accounting for foreign transactions, the ability to use them for fulfillment of concrete practical tasks, solving problems. Insignificant random errors which do not substantially influence the completeness and exactness of the answer are permitted;

**9 points** are given for the thorough learning of the subject, sensible application of knowledge to the solution of practical tasks; fulfilling all the requirements meant for the excellent mark, in the presence of insignificant arithmetic errors (that is the methodical approach to the problem solution is correct, but insignificant inaccuracies in the calculations of certain indexes are made) or not quite complete conclusions concerning the results received during the performance of the task. The execution of the work must be accurate;

**8 points** are given for the thorough learning of the subject, sensible application of knowledge to the solution of practical tasks. Practical tasks are performed correctly on the whole with the use of a typical algorithm, but some errors are made during the performance of the tasks. The execution of the work must be accurate;

**7 points** are given if the student effectively applies the basic knowledge of the educational material when solving a practical task. Practical tasks are performed correctly on the whole with the use of a typical algorithm, but considerable errors are made;

**6 points** are given for insufficient ability to apply the theoretical knowledge to the solution of practical tasks on condition that the task is performed for the most part and the aim of the task is attained, and the student's answer shows understanding of the substantive concepts of the material of the academic discipline;

**5 points** are given for partial ability to apply the theoretical knowledge to the solution of practical tasks on condition that the task is performed partially; and the student's answer shows understanding of the substantive concepts of the material of the academic discipline;

**4 points** are given if the student applies the educational material without enough understanding when performing practical tasks, makes essential errors, faces difficulties when analyzing and comparing economic phenomena and processes;

**3 points** are gained if the student misunderstands the considerable part of the program material, cannot perform practical tasks correctly, finds considerable difficulty in analyzing economic phenomena and processes;

**2 points** are gained if the student misunderstands the program material, cannot perform practical tasks correctly, finds considerable difficulty in analyzing economic phenomena and processes;

**1 point** is gained if the student fails to perform the task on the whole.

Intermediate test control is conducted two times a semester (two times within the study of a module). The test contains questions of single and multiple choice in order to evaluate the learning of basic categories of the academic discipline.

The evaluation criteria are: the excellent mark: 83 – 100 % of the right answers; the good mark: 58 – 82 % of the right answers; the satisfactory mark: 33 – 57 % of the right answers; the unsatisfactory mark: less than 33 % of the right answers.

Tests for intermediate control are selected from the general list of tests of the proper modules.

The purpose of the test tasks of the academic discipline "Accounting for Foreign Transactions" lies in learning the theoretical material. In accordance with the Industry Standard of Education the test tasks aim to support students in the fulfillment of production functions (technical, executive, design, managerial), of the task activity (professional, socio-industrial and socio-consuming) and of classes of task activities (stereotype, diagnostic and heuristic), which are underlying the process of training of specialists of certain levels of qualification.

Closed test tasks differ in the principle of the answer structure.

1. Alternative test tasks have two answer options of "yes/no", "true/false" or others of this kind. As a rule, they are used for rough control of the appropriateness of the choice or decision-making in a reductive form.

Multiple choice tests are expedient when it is necessary to check up the ability to correctly reproduce the received knowledge. In this sort of tests only one option of all is correct.

A few variants of such tests exist:

a) test tasks of simple multiple choice, when the answer is built on the principle of classification. These tasks are expedient when the number of possible options counts less than three, but the answer is more complicated than that of a "yes/no" kind. Such form of a test task is medium between alternative tests and multiple choice tests;

b) multiple choice test tasks, when the answer is based on the principle of classification; they are used for examination of the capacity for free understanding of a group of analogous concepts, phenomena, processes and so on;

c) test tasks based on the principle of cumulation are recommended for examination of completeness of knowledge and abilities. The interrogative part of such tasks is mainly comparative: one of a few answers must be the best, the most correct, the most complete.

When composing multiple choice test tasks the combination of all the mentioned principles is possible.

2. Test tasks aiming to bring the parts to conformity are a modification of multiple choice test tasks which consist of two or more columns of words, phrases, digital or letter codes et cetera.

3. Test tasks aimed at comparison and contraposition (in the analysis of interdependence) are recommended for examination of the ability to find out the nature of different phenomena, situations and so on. In the process of fulfilment of such tasks the student analyzes the offered material, synthesizes it and draws proper conclusions. In the case of analysis, the material offered for testing is divided into separate parts and their mutual relations are determined; in the case of synthesis – separate parts or elements of the offered material are combined into a single whole.

4. Test tasks with multiple answers of "correct/incorrect" type are used when answers or solutions can be only right or wrong (unlike test tasks with one correct answer), have no gradations of advantage and are categorical. In addition, the question often has a few correct answers. In this case, it is considered that the profundity of knowledge, understanding of different aspects of the phenomena, processes and so on are tested.

5. Test tasks aiming to define the causal dependence are used to examine the understanding of a certain causal dependence between two



effects. The question is composed in such a way that each of two assertions, joint with the conjunction "because", is complete and sharply defined. The student has first to define separately if each of the two assertions is correct or wrong and only then, if both are correct, to define whether causal dependence between them is correct or incorrect.

6. Test tasks aimed at the reconstruction of correct sequence (combinations) require restructuring of data or elements of any combination. The use of such tasks is expedient in the case of testing the abilities and knowledge of correct sequence of executions (legislative activity), algorithms of activity, technological methods and so on. They are also possible when testing the knowledge of the generally accepted formulations of concepts, rules, laws, fragments of normative documents, etc.

7. Open test tasks provide for free answers of the student, have no choice options and are used in order to examine the knowledge of terms, concepts and so on.

Tests can be applied both for the purpose of control and consolidation of the theoretical knowledge and practical skills.

Current module control is carried out and assessed based on two constituents: practical module control and theoretical lecture module control. The mark for the practical part of the module control is given as a result of evaluation of knowledge of a student during practical studies, individual work and intermediate test control in accordance with the schedule of the educational process.

Lecture module control is carried out in writing according to the proper question cards which contain questions of all module themes. The theoretical part of the module control task contains either theoretical questions or tests of the closed and open type. The practical part of a module control task consists of practical tasks (cases) of different levels of complication (stereotype, diagnostic, heuristic) and other elements of practical training.

To sum up the work of a student under the content module, the final mark for current module control is given; it is composed of the marks for practical module control and lecture module control. The module test is carried out in writing with question cards. An example of the question card for the lecture module test is given in Appendix C.

**Final written examination.** An indispensable condition of the final examination is 35 points of the current module control of knowledge. Examination is carried out in writing with question cards. A question card

consists of 5 practical tasks (2 stereotype and 2 diagnostic tasks and a heuristic task).

An example of the question card for written examination is shown in Appendix D.

Task 1 (heuristic) is performed by students who want the maximum score. When performing the task, the student must show a creative approach, give his own suggestions on how to conduct the transaction, its accounting and taxation, to provide their own conclusions as to the proposed problem issue, to argue the answer. The task is evaluated on the following scale:

**20 points:** the solution is correct, complete, well-grounded. The financial result is calculated correctly with quarterly distributions. The journal is designed in such a way that it fully and correctly represents the economic operations conducted by the enterprise. Correction of errors is done using the correct methods in all cases;

**17 points:** the solution is complete, well-grounded, generally true. The financial result is calculated correctly. The exchange rate differences are calculated correctly. Arithmetic errors caused by inattention as a whole did not affect the total amount of the financial result. The journal is designed in such a way that it fully and correctly represents the economic operations conducted by the enterprise;

**15 points:** the solution is complete, well-grounded, generally true. The journal is designed in such a way that it fully and correctly represents the economic operations conducted by the enterprise. Income and expenses on the results of foreign economic operations are represented correctly, but the financial result is not formed;

**10 points:** the solution is complete, true. Business transactions are fully represented in the relevant accounting records, there are some errors in the recorded income and expenses of the foreign economic activity;

**7 points:** the solution is fragmentary, there are arithmetic errors in the calculations, revenues and expenses are not fully accrued, the financial result for a particular quarter has not been displayed;

**5 points:** the solution is fragmentary, there are methodological mistakes in the calculations. The student demonstrated only basic knowledge and skills;

**0 points:** no solution.

Tasks 2 – 5 are evaluated on the following scale:

**5 points** are gained for the profound knowledge of the academic discipline, application of both recommended and additional literature and a creative approach to the task, making good use of the basic terms and concepts, methods, methodology and instruments of accounting, the ability to use them for fulfilling concrete practical tasks, solving problems. The work must be accurate, logical and consecutive;

**4 points** are gained for the thorough knowledge of the academic discipline, sensible application of knowledge to the solution of practical problems; fulfilling all the requirements meant for the excellent mark with insignificant arithmetic errors (i.e. the methodical approach to a problem solution is correct, but insignificant inaccuracies in the calculations of certain indexes are made) or not quite complete conclusions concerning the received results. The work must be neat;

**3 points** are gained for insufficient ability to apply theoretical knowledge to the solution of the practical problems on condition that the task is performed for the most part and the aim of the task is attained; student's answer showing understanding of substantive concepts of the material of the academic discipline;

**2 points** are given in the case when the student applies the syllabus material without enough understanding while performing practical tasks, makes essential errors, finds difficulty in analyzing and comparing economic phenomena and processes;

**1 point** is given in the case when the student misunderstands the considerable part of the syllabus material, cannot perform practical tasks correctly, finds considerable difficulty in analyzing economic phenomena and processes;

**0 point** is given in the case when the student fails to perform the task.

In general, the written examination paper must be performed neatly, in a logical sequence and with reference to all interim calculations. If all requirements are met, the maximum score for a written paper is 40 points.

For the final assessment of students' work on the academic discipline "Accounting for Foreign Transactions" a general mark which takes into account the marks of every type of control is given. The student should be considered successful if the sum of the points earned based on the results of the final/semester test of success is equal to or exceeds 60. The minimum

number of points for the current and modular control during the semester is 35 and the minimum number of points scored on the exam is 25.

The system of assessment of competences on the academic discipline is shown in Table 5.

Table 5

### The system of assessment of the formed competences

Competence	Academic week	Hours	Methods and forms of studies		Assessment of competences		
					Form of control	Maximum points	
1	2	3	4		5	6	
<b>Module 1. The fundamentals of accounting</b>						60	
<b>PFTA 1</b> Capability to apply principles of accounting	1	Class	2	<b>Lecture</b>	<b>Theme 1.</b> The principles of accounting	Participation in the lecture	2
			2	<b>Practical training</b>	<b>Practical task 1.</b> State regulation of accounting; objects of accounting; accounting concepts, principles and assumptions	Participation in problem solving	2
		8	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements	-	-	
	2, 3	Class	4	<b>Lecture</b>	<b>Theme 2.</b> The accounting method	Participation in the lecture	2
			4	<b>Practical training</b>	<b>Practical task 2.</b> Types of business transactions and their impact on the balance sheet. Correspondence of accounts and accounting records	Participation in problem solving	2
		8	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements, preparing to practice test	-	-	
<b>PFTA 2</b> Capability to implement accounting techniques to key foreign transactions	4	Class	2	<b>Lecture</b>	<b>Theme 3.</b> Organization of accounting for business activity of an enterprise	Participation in the lecture	2
			2	<b>Practical training</b>	<b>Practical task 3.</b> Forms and the essence of accounting	Participation in problem solving	2
		8	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements, preparing for the theory and practice test	-	-	
	5 – 8	Class	8	<b>Lecture</b>	<b>Theme 4.</b> Accounting for major business processes of legal entities	Participation in the lecture	1
						Lecture test	5
			8	<b>Practical training</b>	<b>Practical task 4.</b> Accounting for the acquisition of fixed assets. Accounting for the acquisition of inventory. Accounting for sales and financial results	Participation in problem solving	1
				Practice test	5		

Table 5 (the end)

1	2		3	4		5	6
	9, 10	Home	20	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements, preparing for the practice and lecture test	-	-
		Class	4	<b>Lecture</b>	<b>Theme 5.</b> The methodological and regulatory framework of accounting and financial reporting for foreign transactions	Participation in the lecture	2
			4	<b>Practical training</b>	<b>Practical task 5.</b> The procedures for bookkeeping of exchange gains and losses	Participation in problem solving	2
	Home	8	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements, preparing for the theory test	-	-	
	11 – 13	Class	6	<b>Lecture</b>	<b>Theme 6.</b> Accounting and taxation of export and import transactions	Participation in the lecture	2
			6	<b>Practical training</b>	<b>Practical task 6.</b> Accounting and taxation of export and import transactions	Participation in problem solving	2
		Home	20	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements	-	-
	14, 15	Class	4	<b>Lecture</b>	<b>Theme 7.</b> Accounting for foreign cash	Participation in the lecture	2
			4	<b>Practical training</b>	<b>Practical task 7.</b> Accounting for purchase and sale of foreign cash	Participation in problem solving	2
			8	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements, preparing for the theory and practice test	-	-
	16	Class	2	<b>Lecture</b>	<b>Theme 8.</b> Accounting for foreign currency investments and loans	Participation in the lecture	1
			2	<b>Practical training</b>	<b>Practical task 8.</b> Capital stock in foreign currency: principles of accounting and reporting	Lecture test	5
						Participation in problem solving	1
		Practice test	5				
	Home	6	<b>Preparation for classes</b>	Learning the theoretical material, legislation requirements, composing presentations	Presentations	12	
	<b>Examination</b>	Class		<b>Pretest consultations</b>	Problem solving	<b>Exam</b>	<b>40</b>
				<b>Examination</b>	Solving examination card problems		
		Home		<b>Preparation for exam</b>	Revising theory and practice material		
<b>Total hours</b>			<b>150</b>	<b>Total maximum points</b>		<b>100</b>	
including							
classes			<b>64</b>	43 %	<i>Current assessment</i>		<b>60</b>
<i>Independent training</i>			<b>86</b>	57 %	<i>Final assessment</i>		<b>40</b>

Accumulation of points according to the themes is shown in Table 6.

Table 6

### The distribution of points according to the themes

Content module 1				Content module 2				40	100
Theme 1: 4 points	Theme 2: 4 points	Theme 3: 4 points	Theme 4: 2 points	Theme 5: 4 points	Theme 6: 4 points	Theme 6: 4 points	Theme 6: 2 points		
Practice test: 5 points				Practice test: 5 points					
Theory test: 5 points				Theory test: 5 points					
Presentation: 12 points									

Accumulation of points according to the academic weeks is shown in Table 7.

Table 7

### The distribution of points according to the weeks

			Lectures	Practical training	Practice test	Theory test	Presentation	Total
Module 1 The fundamentals of accounting	Theme 1	1 week	2	2	–	–	–	4
	Theme 2	2 week	1	1	–	–	–	2
		3 week	1	1	–	–	–	2
	Theme 3	4 week	2	2	–	–	–	4
	Theme 4	5 week	0.25	0.25	–	–	–	0.5
		6 week	0.25	0.25	–	–	–	0.5
		7 week	0.25	0.25	–	–	–	0.5
		8 week	0.25	0.25	5	5	–	10.5
Module 2 Accounting and taxation of key foreign transactions	Theme 5	9 week	1	1	–	–	–	2
		10 week	1	1	–	–	–	2
	Theme 6	11 week	0.5	0.5	–	–	–	1
		12 week	0.5	0.5	–	–	–	1
		13 week	1	1	–	–	–	2
	Theme 7	14 week	1	1	–	–	–	2
		15 week	1	1	–	–	–	2
	Theme 8	16 week	1	1	5	5	12	24
Total			14	14	10	10	12	14

The final assessment on the academic discipline based on the Principles of Transference of University Characteristics of Students' Progress into the system of the ECTS scale is converted into the final ECTS (Table 8).

**Transference of university characteristics of students' progress into the system of the ECTS scale**

Points gained for all kinds of academic activities	Assessment on the ECTS scale	Assessment on the national scale
90 – 100	A	excellent
82 – 89	B	good
74 – 81	C	
64 – 73	D	satisfactory
60 – 63	E	
35 – 59	FX	unsatisfactory
0 – 34	F	

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# Appendices

Appendix A

## The competences formed within the themes of the academic discipline "Accounting for Foreign Transactions"

Competence		Ability	Theme	Form of studies
1		2	3	4
42 Measuring and bookkeeping	Application of legal requirements to business activity, accounting for business processes and auditing	The ability to use legislation of Ukraine to organize business activity	Theme 1. The principles of accounting	Lectures, independent studies
		The ability to apply National Standards of accounting in Ukraine	Theme 5. The methodological and regulatory framework of accounting and financial reporting for foreign transactions	Lectures, independent studies
		The ability to apply the principles and assumptions of accounting to practice	Theme 1. The principles of accounting	Lectures, practical studies
	Classification of accounting objects	The ability to classify the objects of accounting for resources, sources of their formation and economic processes	Theme 2. The accounting method	Lectures, practical studies, independent studies
		The ability to identify the elements of the accounting method		Lectures, independent studies

	1	2	3	4
	Classification of accounts and accounting registers	The ability to classify accounts based on the economic content, the structure and purpose and determine changes in the balance sheet caused by book entries with different accounts		Lectures, practical studies, independent studies
	Preparation of the general register and using it for decision making	The ability to maintain the sequence of business transactions in chronological order	Theme 2. The accounting method	Independent studies
The ability to systematize economic information and represent it in accounts and accounting registers		Theme 4. Accounting for major business processes of legal entities	Lectures, practical studies	
Initial observations and drawing up back-up documents	The ability to prepare and use information of synthetic and analytical accounting	The ability to define and interpret the economic content of the accounting entries	Theme 2. The accounting method	Lectures, practical studies
				Practical studies, independent studies
	The ability to classify accounting documents and correctly use them for appropriate purposes	The ability to find out and correct mistakes in back-up documents and accounting registers	Theme 3. Organization of accounting for business activity of an enterprise	Lectures, independent studies
				Practical studies, independent studies

1		2	3	4
		The ability to conduct stock-taking and display its results in accounting registers	Theme 2. The accounting method	Independent studies
		The ability to conduct reconciliation	Theme 4. Accounting for major business processes of legal entities	Practical studies, independent studies
	Evaluation and calculation of accounting objects	The ability to identify and evaluate the assets of an enterprise	Theme 2. The accounting method	Lectures, independent studies
		The ability to calculate the cost of finished goods		Practical studies
		The ability to calculate the cost of goods sold (services rendered) and the cost of ending inventories	Theme 4. Accounting for major business processes of legal entities	Lectures, practical studies, independent studies
	Accounting for fixed assets	The ability to define and classify fixed assets of an enterprise	Theme 4. Accounting for major business processes of legal entities	Lectures
The ability to compute the original cost of a fixed asset, to estimate depreciation charges and depreciated cost of a fixed asset		Lectures, practical studies		
The ability to conduct stock-taking for fixed assets		Independent studies		
The ability to prepare book entries to record transactions with fixed assets		Lectures, practical studies, independent studies		

	1	2	3	4
		The ability to verify the accounting records for transactions with fixed assets	Theme 6. Accounting and taxation of export and import transactions	Lectures, practical studies, independent studies
45	Accounting for intangible assets	The ability to define and classify the intangible assets of an enterprise	Theme 4. Accounting for major business processes of legal entities	Lectures
		The ability to compute the original cost of an intangible asset, to estimate depreciation charges and depreciated cost of an intangible asset		Lectures, practical studies
		The ability to conduct stock-taking for intangible assets		Independent studies
		The ability to prepare book entries to record transactions with intangible assets		Lectures, practical studies, independent studies
		The ability to verify accounting records for transactions with intangible assets	Theme 6. Accounting and taxation of export and import transactions	Lectures, practical studies, independent studies
Accounting for inventories	The ability to define and classify the inventories of an enterprise	Theme 4. Accounting for major business processes of legal entities	Lectures	
	The ability to conduct stock-taking for intangible assets		Independent studies	
	The ability to prepare book entries to record transactions with inventories		Lectures, practical studies	

1		2	3	4
		The ability to verify accounting records for transactions with inventories	Theme 6. Accounting and taxation of export and import transactions	Lectures, practical studies, independent studies
46	Accounting for cash and cash equivalents	The ability to define and classify cash and cash equivalents of an enterprise	Theme 4. Accounting for major business processes of legal entities	Lectures
		The ability to conduct stock-taking for cash and cash equivalents		Independent studies
		The ability to prepare book entries to record transactions with cash and cash equivalents		Lectures, practical studies, independent studies
		The ability to verify accounting records for transactions with cash and cash equivalents	Theme 6. Accounting and taxation of export and import transactions	Lectures, practical studies, independent studies
Accounting for receivables	Accounting for receivables	The ability to define and classify receivables of an enterprise	Theme 4. Accounting for major business processes of legal entities	Lectures
		The ability to conduct stock-taking for receivables		Independent studies
		The ability to prepare book entries to record sales on account		Lectures, practical studies, independent studies
		The ability to estimate allowances for uncollectible accounts		Lectures, practical studies, independent studies

1		2	3	4
		The ability to conduct write-offs for uncollectible accounts and determine the impact of these write-offs on the financial results of business activity	Theme 6. Accounting and taxation of export and import transactions	Practical studies, independent studies
47	Accounting for stockholder's equity and liabilities	The ability to define and classify the equities of an enterprise	Theme 4. Accounting for major business processes of legal entities	Lectures, independent studies
		The ability to prepare book entries to record transactions with stockholder's equity and liabilities		Lectures, practical studies, independent studies
		The ability to verify accounting records for transactions with stockholder's equity and liabilities	Theme 6. Accounting and taxation of export and import transactions	Lectures, practical studies, independent studies
Organizational	Organization and permanent usage of accounting for foreign transactions system of an enterprise	The ability to organize primary monitoring for business transactions	Theme 3. Organization of accounting for business activity of an enterprise	Lectures
		The ability to apply special methods of accounting to record and control the results of business activity	Theme 6. Accounting and taxation of export and import transactions	Lectures, independent studies
	Organization of documenting business transactions	The ability to organize documenting of business transactions in conformity with legislation of Ukraine	Theme 3. Organization of accounting for business activity of an enterprise	Lectures

	1	2	3	4
48	Organization of the document workflow and processing of accounting information	The ability to determine informational needs of different internal and external users of accounting information at a specific enterprise	Theme 3. Organization of accounting for business activity of an enterprise	Independent studies
		The ability to develop and adopt the existing accounting forms of documents to informational purposes of a specific enterprise		Independent studies
		The ability to develop the document workflow and set up deadlines for transfer of documents from one user to another		Lectures
	Applying the Chart of Accounts	The ability to use the Chart of Accounts to record business transactions	Theme 2. The accounting method	Practical studies
		The ability to develop an Individual Chart of Accounts according to a specific legal entity		Independent studies
		The ability to define the consequence of the mistaken application of the Chart of Accounts and correct these errors	Theme 3. Organization of accounting for business activity of an enterprise	Lectures, independent studies
Drawing up financial statements	The ability to identify and classify changes in the balance sheet under the influence of business	Theme 2. The accounting method	Lectures, practical studies	



1		2	3	4
		The ability to prepare a balance sheet and other financial statements in conformity with National Standards of Accounting of Ukraine		
Analytical	Validation of the results of the synthetic accounting	The ability to monitor equality of debit and credit turnovers, proper ending balances of real and nominal accounts	Theme 2. The accounting method	Practical studies, independent studies
		The ability to control the results of accounting via the turnover balance sheet		Practical studies, independent studies
	Keeping accounts of transactions with foreign cash and cashless funds	The ability to journalize transactions with foreign cash and cashless funds and accrue cash exchange gains and losses	Theme 7. Accounting for foreign cash	Lectures, practical studies
		The ability to reveal errors and omissions in accounting records and statements	Theme 6. Accounting and taxation of export and import transactions	Lectures, practical studies, independent studies

The TOP Corporation was formed at the beginning of 2016 and has been presenting the following incomplete financial statements for three years. Complete the missing values in Tables B.1 – B.3 for each year; remember that 2016 is the first year of business, so TOP begins with a zero balance in 2016 beginning retained earnings.

Table B.1

**The income statement for the years ending December 31**

Item	2018	2017	2016
Revenues:			
services to customers	100,000		50,000
Expenses:			
wages		58,500	
interest	1,500	1,500	2,500
Total expenses			
Net income		20,000	

Table B.2

**The statement of retained earnings for the years ending December 31**

Item	2018	2017	2016
Beginning retained earnings			
Plus: net income		20,000	12,500
Less: dividends	15,000		
Ending retained earnings	30,000		

Table B.3

**The balance sheet as of December 31**

Item	2018	2017	2016
Assets			
Cash			25,000
Accounts receivable	32,500	25,000	
Land	90,000	90,000	90,000
Total assets		144,500	
Liabilities			
Interest payable		500	1,000
Loan payable	5,000		
Total liabilities	5,500	15,500	
Stockholders' equity			
Capital stock			114,000
Retained earnings		15,000	
Total stockholders' equity			119,000
Total liabilities and equity	149,500		150,000

### **An example of the question card for a lecture module test**

#### **1. Multiple choice questions.**

1. Of the following types of accounts, which would be increased by a debit:

- a) liabilities and expenses;
- b) assets and equity;
- c) assets and expenses;
- d) equity and revenues?

2. Which statement is true?

- a. For any given journal entry, debits must exceed credits.
- b. It is customary to record credits on the left and debits on the right.
- c. The chart of accounts reveals the amount to debit and credit to the affected accounts.

d. Journalization is the process of converting transactions and events into the debit/credit format.

3. Failure to record the receipt of raw materials bought on account will result in:

- a) an overstatement of assets;
- b) an overstatement of liabilities;
- c) an overstatement of equity;
- d) an understatement of assets.

#### **2. Open test tasks.**

1. The \_\_\_\_\_ assumption requires every business to be accounted for separately from the owner. Personal and business-related transactions are kept apart from each other.

2. The \_\_\_\_\_ assumption assumes that business operations can be recorded and separated into different time periods such as months, quarters, and years.

3. The \_\_\_\_\_ states that all pertinent and material financial information concerning the business and its activities is fully disclosed in an understandable form.

4. The \_\_\_\_\_ concept states that when choosing between two alternatives, the one that will be least likely to overstate assets and income should be picked.

### An example of the question card for written examination

#### **Task 1 (stereotype)**

The ABC company, which is VAT and income tax payer on a general basis, trades one kind of goods. At the beginning of the referenced period it has 10,000 units at a price of 2.25 hrn. Movement of inventory is listed in Tables D.1 and D.2.

Table D.1

#### **Acquisition of goods**

Date	Number, units	Price (without VAT) hrn /unit	Original cost, hrn
Sept. 1	20,000	2.0	40,000
Sept. 5	35,000	3.0	105,000
Sept. 7	45,000	2.5	112,500
Sept. 12	22,000	2.7	59,400
Sept. 18	18,000	2.9	52,200
Sept. 25	10,000	3.5	35,000
Sept. 29	5,000	3.7	18,500
Total	155	–	422,600

Table D.2

#### **Sale of goods on account**

Date	Number, units	Date	Number, units
Sept. 10	15,000	Sept. 26	50,000
Sept. 15	20,000	Sept. 30	10,000
Sept. 20	50,000	Total	145,000

Estimate the cost of goods sold and the cost of ending inventory if the company uses the average cost method.

#### **Task 2 (stereotype)**

The ABC company initially sold 10,000 hrn of merchandise on account to a customer. The cost of merchandise sold is 7,500 hrn. The customer requested more time to pay on December, 1 and agreed to give a formal three-month note bearing interest at 12 % per year. Prepare book entries (Table D.3).

**The general journal**

The content of transaction	Debit	Credit	The amount, hrn
To record the sale of the merchandise on account			
To record the cost of the merchandise			
To record conversion of the account receivable to the note receivable			
To record accrued interest on December, 31			
To close the revenue accounts to Income Summary at year-end			
To close the expense accounts to Income Summary at year-end			
To record interest accrued on February, 28			
To record the collection of note plus interest on February, 28			

**Task 3 (diagnostic)**

To expand business, the CEO of a company plans to attract a long-term bank loan. To reduce the risk of insolvency, the maximum long-term loan shall not exceed 50 % equity. Compute the amount of allowable credit if according to the balance sheet the company has:

- Short-term Bank Loans 40,000 hrn;
- Accounts Payable on Settlements with insurance 15,000 hrn;
- Cash in local currency 20,000 hrn;
- Long-term financial investments 10,000 hrn;
- Accounts receivable for services (acquisition cost) 180,000 hrn;
- Accounts receivable (provisions for doubtful debts) 80,000 hrn;
- Deferred revenue 6,000 hrn;
- Deferred tax liabilities 12,000 hrn;
- Merchandise 15,000 hrn;
- Fixed assets (residual value) 450,000 hrn;
- Withdrawals 28,000 hrn.

**Task 4 (diagnostic)**

On January 1, 2009, the Ukrainian Air purchased a new engine for one of its airplanes used to transport adventurers to different regions of Ukraine. The engine cost 750,000 hrn and has a service life of 10,000 flight hours. Regulations require careful records of usage, and the engines must be replaced or rebuilt at the end of the 10,000 hour service period. The Ukrainian Air simply chooses to sell its used engines and acquire new ones. Used engines are expected to be resold for 1/3 of their original cost. During its service life the engine was used as follows:

- in 2009 1,500 hours;
- in 2010 4,000 hours;
- in 2011 3,000 hours;
- in 2012 1,500 hours.

What is the appropriate method to depreciate the engine? Compute the annual depreciation expense and the net book value at the end of each year.

**Task 5 (heuristic)**

The ABC Corporation received its August 31 bank statement showing total funds on deposit of \$288,090.09. This amount was \$152,158.22 in excess of the balance in the general ledger cash account. Additional information is as follows.

1. The company has a 1-year, \$100,000, certificate of deposit. This amount is included in the total funds listed on the bank statement. The ABC classifies this security in a separate investment account in its general ledger.

2. Interest earned on the CD was \$475 during the month. This interest is free for withdrawal and is automatically posted to the regular checking account. The ABC's first notification of the amount of interest for the month is via the bank statement, and the interest income has not yet been recorded in the general ledger cash account.

3. The ABC Corporation received a \$50,000 draft for an oil and gas lease from The XTX Exploration. This draft was presented to the bank in early July. Drafts are not cash until the maker (the XTX) honors them (at their option), and this process can take as long as several weeks. The bank

statement included notification that the XTX had honored and funded the draft in mid August. This is the first notification to the ABC of actual funding, and the ABC has not previously recorded this transaction.

4. The ABC made a deposit late in the afternoon of August 31. The amount of the deposit was \$3,666.04, but this amount did not appear on the August 31 bank statement. The bank has a sign in its lobby that says "Deposits after 3 pm will be processed on the next following business day".

5. The ABC has authorized automatic payments to its utility company for monthly charges. Withdrawals of \$1,445.99 appear in the bank statement for such utilities. This is the first notification to the ABC, and the ABC has not previously recorded this transaction.

6. Late in August, the ABC did an online authorization for a credit card company payment. Due to a timing issue, the bank statement has not yet represented the payment for \$4,446.09. The ABC has appropriately recorded the reduction in cash in the general ledger.

7. The bank statement included monthly service charges of \$125. The ABC has not previously recorded these charges.

8. At the end of July, three checks were outstanding (#12170, \$245.55; #12200, \$1,889.66; and #12202, \$75). At the end of August, three checks were outstanding (#12170, \$245.55; #12290, \$1,333.07, and #12291, \$1,117.54).

9. A review of deposits clearing the bank revealed that the ABC had recorded a \$2,000.22 deposit as \$2,222.22 in the general ledger Cash and Accounts Payable accounts.

On the basic of information given above prepare the ABC's bank reconciliation as of August 31.

Approved at the meeting of the Department of Accounting and Business Consulting.

Head of the Department \_\_\_\_\_ A. Pylypenko  
Examiner \_\_\_\_\_ O. Prokopishyna



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НАВЧАЛЬНЕ ВИДАННЯ

# ОБЛІК МІЖНАРОДНИХ ОПЕРАЦІЙ

**Робоча програма  
для студентів спеціальності  
292 "Міжнародні економічні відносини"  
першого (бакалаврського) рівня**

**(англ. мовою)**

*Самостійне електронне текстове мережеве видання*

Укладач **Прокопішина Олена Вікторівна**

Відповідальний за видання *А. А. Пилипенко*

Редактор *З. В. Зобова*

Коректор *З. В. Зобова*

Подано тематичний план навчальної дисципліни та її зміст за модулями й темами. Вміщено плани лекцій, семінарських та практичних занять, методичні рекомендації до самостійної роботи. Надано критерії оцінювання знань студентів.

Рекомендовано для студентів спеціальності 292 "Міжнародні економічні відносини" першого (бакалаврського) рівня.

План 2018 р. Поз. № 4 ЕВ. Обсяг 58 с.

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Видавець і виготовлювач – ХНЕУ ім. С. Кузнеця, 61166, м. Харків, просп. Науки, 9-А

*Свідоцтво про внесення суб'єкта видавничої справи до Державного реєстру*

**ДК № 4853 від 20.02.2015 р.**