

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

**APPROVED**
Deputy head
(vice-rector for scientific and pedagogical work)
Mykola APANASIEV

Registration and financial statements preparation of business

syllabus of the academic discipline

Field of Knowledge	All
Specialty	All
Educational level	First (bachelor's)
Educational programs	All

Type of discipline	elective
The language of teaching, learning and rating	English

Head of the Finance Department



Irina ZHURAVLYOVA

Kharkiv
2020

APPROVED

at the meeting of the Finance Department
Protocol № 2 dated September 04, 2021

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

Academic year	Date of the meeting of the Department	Protocol number	Sign of the Head of the department

Introduction

Abstract of the discipline Registration and financial statements preparation of business. Each entrepreneur, starting his activity, should clearly represent the need for the future in financial, material, labor and intellectual resources, sources of their receipt, and also be able to clearly calculate the efficiency of resource use in the business process. This is due to the fact that in the modern economy it is enterprises that produce the bulk of goods and services that satisfy human needs.

In a market economy, entrepreneurs will not be able to achieve stable success if they do not clearly and efficiently plan their activities, constantly collect and accumulate information about the status of target markets, the position of competitors in them, and about their own prospects and opportunities.

For all the variety of forms of entrepreneurship, there are key provisions that are applicable in almost all areas of commercial activity and for different firms.

The purpose of the course "Registration and financial statements preparation of business" is to create the foundation of knowledge in the field of entrepreneurship and business. The tasks of mastering the discipline are: consideration of laws and principles by which a business develops; existing problems from the point of view of the employee, manager, owner of the enterprise and society as a whole; mechanism for creating enterprises, the organization of business and its effective management. The goals and objectives of the Basics of Business discipline are to give bachelors the necessary knowledge and skills, including: - Theoretical knowledge of the nature and types of entrepreneurial activity, the external and internal environment of enterprises functioning, financial and credit sources of ensuring their economic activity, about the advantages and disadvantages of the main organizational and legal forms of managing, about the advantages and problems of the development of small business; - Applied knowledge in the field of organizing one's own business, developing a business plan, state registration and licensing of entrepreneurs. Successful mastering of the discipline will allow you to master the special terminology and vocabulary of this discipline, as well as apply the knowledge gained in practice in the field of entrepreneurship.

Characteristic of the discipline

Academic year	2
Semester	4
Number of credits ECTS	5
Final assesment	pass

Prerequisites	Postrequisites
Financial aspects of starting and developing business	Financial diagnostics and value-based estimation of business

Competencies and learning outcomes of the study

Competencies	Learning outcomes
Ability to develop a business idea for creating your own enterprise, conduct market analysis and develop a business plan for an entrepreneurial idea	Ability to conduct strategic market analysis
Ability to register and accompany own business in tax and financial aspects	Ability to choose the most suitable form of business organization
	Ability to understand advantages and disadvantages of the general tax system. The procedure and features of determining the object of taxation
	Ability to generate and analyze financial statements of a business

The program of the academic discipline
Content module 1: The market analysis and business planning

Theme 1. Market analysis

1.1. The market analysis methods and tools.

A market analysis is a quantitative and qualitative assessment of a market. It looks into the size of the market both in volume and in value, the various customer segments and buying patterns, the competition, and the economic environment in terms of barriers to entry and regulation.

1.2. The characteristics of industries and the choice of a niche for creating a business.

A market analysis studies the attractiveness and the dynamics of a special market within a special industry. It is part of the industry analysis and thus in turn of the global environmental analysis. Through all of these analyses, the strengths, weaknesses, opportunities and threats of a company can be identified.

1.3. The competitive environment analysis.

Estimate the attractiveness of the sector for companies that already operate in it, and for the new entrants or investors. Determine the prospects of individual sectors, opportunities and threats. Definition of new, attractive sectors for the company in which it could invest.

Theme 2. The Methods of strategic analysis: definitions and practical use.

2.1. What is SWOT analysis?

Implementation of SWOT analysis. Basic rules and questions of SWOT analysis. Advantages and disadvantages of SWOT analysis. Choosing a strategy based on the grouping of SWOT factors. Internal factor evaluation (IFE) matrix. Visual overview tools of SWOT analysis. Examples of SWOT analysis.

2.2. SNW analysis.

SNW analysis: what is it. Five aspects of SNW analysis. SNW approach. SNW analysis result. Example of SNW Analysis.

2.3. PEST analysis in strategic management.

Understanding PEST Analysis. The areas assessed by PEST analysis. Applications of a PEST analysis. Benefits of a PEST analysis. PEST variations. External factor evaluation (EFE) matrix. Example of PEST analysis.

Theme 3. Forms of capital raising and financial settlements.

3.1. The characteristics of borrowed capital: shapes and distinctive features.

Necessity and essence of credit. Bank loan. Credit as a form of value movement on a reverse basis. Principles and methods of bank lending. The mechanism of bank lending. The main features of loan capital.

3.2. Fundamentals of financial settlements.

Theory of the value of money in time. Modern and future capital cost. Growing up and discounting processes.

3.3. Opening a business as a form of implementation of an investment project.

Economic essence and content of investments. Forms of attracting investment resources. Assessing the value of investment resources. How to evaluate an investment project.

3.4. Property sale.

Assessment of the value of the property. Liquidation cost. The basics of calculations of the value of real estate.

Theme 4. Making a business plan for the project.

4.1. Stages of business planning process.

What is a business-plan? The role is researches in the business plan. The purpose of create a business plan. A company profile.

4.2. Features of create a marketing plan.

What is marketing plan? Marketing planning: meaning and types of marketing plans.

4.3. Features of create a production plan.

Basics of production planning. Sales and operations planning.

4.4 Features of drawing up an organizational plan.

The types of organizational structure.

5. Features of drawing up a financial plan.

Total investment, structure of project funding sources, income and expenditure plan, cash flow plan.

Content module 2: Register and accompany own business in tax and financial aspects

Theme 5. Forms of business organization

5.1. General characteristics of possible forms of business organization.

Choice of legal form of activity for legal entities and individuals. Entrepreneurship. Business associations. Private enterprises.

5.2. Types of companies.

Joint Stock Company. Public Company. Private Joint Stock Company. Limited Liability Company. Additional liability company. Limited partnership. Full company.

5.3. Advantages and disadvantages of individual forms of business organization.

Advantages and disadvantages of sole ownership. Advantages and disadvantages of limited liability companies. Advantages and disadvantages of joint stock companies. Differences between joint stock companies and limited liability companies. Differences of Limited Liability Companies from Private Enterprises. Advantages and disadvantages of business organization in the form of legal and natural person-entrepreneur.

5.4. Legal aspects of setting up an enterprise.

Deciding on the establishment of a legal entity. Founding documents. The minimum and maximum number of participants. Requirements for authorized capital. Contributions of participants. Features of founding joint-stock companies, limited liability companies and private enterprises. State registration.

5.5. Legal aspects of registration of individual entrepreneur.

Bodies carrying out registration of natural persons-entrepreneurs. Requirements for registration of documents submitted for state registration. Features of state registration in electronic form.

Theme 6. Systems of taxation for legal entities

6.1. The general system of taxation.

Advantages and disadvantages of the general tax system. National and local taxes and fees.

6.2. Income tax.

General characteristics of income tax. The object of taxation of income tax and the procedure for its calculation. Tax rates. Tax exemptions. Budget tax payment terms.

6.3. Value added tax.

A general description of value added tax. Tax credit and tax liability. The procedure for calculating the tax payable to the budget. Tax rates. Tax exemptions. Budget tax payment terms and preparation of the tax report.

6.4. Other taxes and fees and mandatory payments.

Duty and excise tax. Rent. Environmental tax. Individual income tax and military levy. Local taxes and fees. The single contribution to compulsory state social insurance.

6.5. A simplified system of taxation for legal entities.

Conditions for choosing or switching to a simplified tax system. Advantages and disadvantages of a simplified tax system. Taxes and fees not paid by the single tax payer. The object of taxation of a

single tax. Tax rates. Budget tax payment terms and preparation of the tax report. Features of taxation under the simplified system of agricultural producers.

Theme 7. Taxation systems for entrepreneurs

7.1. The general system of taxation.

Advantages and disadvantages of the general tax system. The procedure and features of determining the object of taxation. Entrepreneurs reports and budget tax payments.

7.2. Simplified taxation system for individual entrepreneurs.

Alternatives for choosing a simplified tax system subsystem. Objects of taxation and tax rates. Taxes and fees not paid by the single tax payer. Budget tax payment terms.

7.3. Features of calculation and payment of value added tax on the simplified taxation system.

Alternative Value Added Tax Payment Options. Benefits and risks of registering a value-added taxpayer.

Theme 8. Financial Statements

8.1. General characteristics and purpose of the financial statements.

Purpose and purpose of the financial statements. Qualitative characteristics of financial statements. Principles of preparation of financial statements.

8.2. Composition of the financial statements.

Balance sheet (statement of financial position), Statement of financial results (statement of comprehensive income), Statement of cash flows, Statement of equity. Notes to the reports.

8.3. Content and procedure of preparation of the Statement of Financial Position and the Statement of Financial Results.

Composition of assets and liabilities of the balance sheet. Content of individual items in the balance sheet. The procedure for determining the financial result of the activity. Relationship between the balance sheet and the income statement.

8.4. Financial statements of small and micro enterprises.

Features of preparation and submission of financial statements for small and micro enterprises. Content of individual items in the balance sheet and the statement of financial performance.

8.5. International Financial Reporting.

Scope of International Financial Reporting Standards. Comparison of financial statements by national and international standards.

Teaching and learning methods

Activation of educational and cognitive activities of students and their interest in the process and results of educational work is provided not by individual fragmentary activities, but by the qualitative organization of all components of the educational process.

Activation of educational and cognitive activities of students during the teaching of the discipline "Registration and financial statements preparation of business" is associated primarily with new forms, methods and teaching aids, called "active methods". Among them: business game, problem lectures, mini-lectures, method projects, brainstorming, seminars-discussions, work in small groups.

The main differences between active and interactive teaching methods from traditional ones are determined not only by the methods and techniques of teaching, but also by the high efficiency of the educational process, which is manifested in: high motivation of students; consolidation of theoretical knowledge in practice; raising students' self-awareness; formation of the ability to make independent decisions, the ability to work in a team and make collective decisions; formation of the ability to social integration; acquisition of conflict resolution skills; developing the ability to find compromises.

The procedure for evaluating learning outcomes

The system for assessment the effectiveness of the training of specialists in the discipline provides that the results of the academic discipline should take into account lectures, practice classes,

as well as the performance of independent work. Assessment of the developed competencies among students is based on a 100-point accumulation system.

Control measures include:

current control, carried out during the semester during lectures and practical classes, and estimated by the sum of the points scored;

modular control, which is conducted taking into account the current control over the corresponding content module and is aimed at an integrated assessment of the student's learning outcomes after studying the material from the logically completed part of the discipline-content module.

Current control of this discipline is carried out in the following forms:

active work at lecture classes;

active participation in practice classes.

Modular control of this discipline is carried out as a colloquium. The colloquium is a form of verification and assessment of students' knowledge in the system of education in higher education institutions. Its conducted as an intermediate mini-exam on the teacher's initiative.

The procedure for carrying out the current assessment of students' knowledge. The current evaluation is carried out during the practical classes and is aimed at checking the level of readiness of the student to perform specific activities and the practical implementation of the existing competencies by the accumulation of ball scoring system according to the following criteria:

the degree of assimilation of the actual material of the discipline;

the ability to combine theory with practice when considering situational tasks, solving tasks, performing calculations in the process of performing individual tasks and tasks submitted for consideration in an audience;

logic, structure, arithmetic correctness and style of material presentation in writing, ability to summarize information and draw conclusions.

The maximum points for active work in every lecture is 2 points, the maximum points for active participation in practice classes is 6 points (for practical studies 2 – 4, 6 – 7) and 6 points (for practical studies 1, 5, 8)

Criteria for evaluating non-auditory independent work of students. The quality of independent work is assessed in practical classes and modular control, which includes questions that were recommended for self-study. The general criteria for evaluating independent work of students are: the depth and complexity of knowledge, the level of thinking, the ability to systematize knowledge on specific topics, the ability to make informed conclusions, the possession of categorical apparatus, skills and techniques of performing practical tasks, the ability to find the necessary information, organize it and present it to others.

Modular control is carried out in the form of colloquia. There are 2 colloquia in the study of the discipline. Each colloquium includes 3 tasks to perform. The maximum points that can be obtained for each of the tasks is 5 points. When evaluating the tasks take into account the correctness of the partial calculations, the presentation of the necessary formulas and the correctness of their application, compliance with the progress of the task, the correctness of the final result, the validity of the conclusions. Correct execution of all actions allows to receive the maximum estimation for the task, absence of this or that action, the admitted mistakes reduces quantity of points.

The student should be certified if the sum of the points earned on the results of the final / semester test of success is equal to or exceeds 60. The total score in the points for the semester is: "60 or more points is counted", "59 and less points are not counted", and is entered in the Record of Success of the discipline. In case of getting less than 60 points student obliged to pay off after the end of the examination session in the deadline set by the dean of the faculty, but not later than two weeks after the beginning of the next semester.

**Transference of Simon Kuznets KHNUE Characteristics of Students' Progress
into the System of the ECTS Scale**

Total score on a 100-point scale	ECTS assessment scale	Assessment on the national scale	
		for exam, differentiated test, course project (work), practice, training	for pass
90 – 100	A	excellent	pass
82 – 89	B	good	
74 – 81	C		
64 – 73	D	satisfactory	
60 – 63	E		
35 – 59	FX	unsatisfactory	not pass

Rating plan of the discipline

Theme	Forms and types of education		Forms of evaluation	Max rating
1	2		3	4
Theme 1.	<i>Classroom work</i>			
	Lecture	Lecture. Market analysis	active work at lecture classes	2
	Practical study	Practical study «Market analysis based on statistical data and competitive environment analysis»	Active participation in practice classes	8
	<i>Independent training</i>			
	Questions and tasks for self-study	1. Impact of the market environment on a company's market capitalization	homework check	
		2. Selection and justification of the industry for starting a business	homework check	
	Theme 2.	<i>Classroom work</i>		
Lecture		Lecture. The Methods of strategic analysis: definitions and practical use	active work at lecture classes	2
Practical study		Practical study « Strategic management method for analysis of external/internal environment of the enterprise»	Active participation in practice classes	6
<i>Independent training</i>				
Questions and tasks for self-study		1. Strategic Analysis Toolset for business	homework check	
	2. A strategy map as a visual representation of the strategic objectives	homework check		

1	2		3	4
Theme 3.	<i>Classroom work</i>			
	Lecture	Lecture. Forms of capital raising and financial settlements	active work at lecture classes	2
	Practical study	Practical study « Alternative approaches to determination of the cost of equity and borrowed capital»	Active participation in practice classes	6
	<i>Independent training</i>			
	Questions and tasks for self-study	1. Prepare a presentation on the topic: Analytical overview of the cost of raising capital in the financial market	homework check	
Theme 4.	<i>Classroom work</i>			
	Lecture	Lecture. Making a business plan for the project	active work at lecture classes	2
	Practical study	Practical study « Evaluation of parameters of efficiency of realization of business plan »	Active participation in practice classes	6
			Colloquium	15
	<i>Independent training</i>			
Questions and tasks for self-study	1. Presentation of the effectiveness of implementation of business plan	homework check		
Theme 5.	<i>Classroom work</i>			
	Lecture	Lecture. Forms of business organization	active work at lecture classes	2
	Practical study	Practical study « Types of companies in Ukraine»	Active participation in practice classes	8
	<i>Independent training</i>			
	Questions and tasks for self-study	1. Private enterprise: advantages and risks	homework check	
2. European experience of creating a small business		homework check		
Theme 6.	<i>Classroom work</i>			
	Lecture	Lecture. Systems of taxation for legal entities	active work at lecture classes	2
	Practical study	Practical study «The general and simplified systems of taxation for legal entities»	Active participation in practice classes	6

1	2		3	4
	<i>Independent training</i>			
	Questions and tasks for self-study	1. Advantages and disadvantages of the simplified tax system	homework check	
Theme 7.	<i>Classroom work</i>			
	Lecture	Lecture. Taxation systems for entrepreneurs	active work at lecture classes	2
	Practical study	Practical study « The general and simplified systems of taxation for entrepreneurs»	Active participation in practice classes	6
	<i>Independent training</i>			
	Questions and tasks for self-study	1. Comparison of tax systems	homework check	
		2. International experience in taxation of individual entrepreneurs	homework check	
Theme 8.	<i>Classroom work</i>			
	Lecture	Lecture. <i>General characteristics and purpose of the financial statements</i>	active work at lecture classes	2
			Colloquium	15
	Practical study	Practical study « Financial statement composition»	Active participation in practice classes	8
	<i>Independent training</i>			
	Questions and tasks for self-study	1. Comparison of financial statements by national and international standards	homework check	
2. Information needs of financial statements users		homework check		

Recommended literature

Basic resources:

1. Берест М. М. Фінансовий аналіз : навч. посіб. / М. М. Берест. – Харків: ХНЕУ ім. С. Кузнеця, 2017. – 164 с.
2. Бланк И. А. Основы финансового менеджмента (в 2-х т.). Т. 1 – 2-е изд. перераб. и доп. / И. А. Бланк. – Київ : Ника-Центр, Эльга, 2004. – 624 с.

3. Van Horne, James C. Fundamentals of financial management / James C. Van Horne, John M. Wachowicz. – 13th ed., 2008. - 719 p.

Additional resources:

4. Вахович І. М. Фінансовий менеджмент та фінансовий інжиніринг бізнес-процесів : магістерський курс [навч. посіб. в 2-х т.]. Т. 1. Фінансовий менеджмент бізнес процесів / І. М. Вахович. – Луцьк : СПД Ж. В. Галяк, друкарня «Волиньполіграф»^{ТМ}, 2013. – 604 с.

5. Михайлюк О. Як читати та аналізувати фінансову звітність : посібник для членів наглядових рад та керівників акціонерних товариств / О. Михайлюк. – Київ : Міжнародна Фінансова Корпорація, 2004. – 108 с.

6. Про затвердження Положення про визначення банками України розміру кредитного ризику за активними банківськими операціями: Постанова Національного банку України від 30.06.2016 р. № 351 (зі змінами, внесеними згідно з Постановою НБУ від 16.01.2017 № 5) [Електронний ресурс] – Режим доступу : <http://zakon3.rada.gov.ua/laws/show/v0351500-16>.

7. Фінансовий аналіз : навч. посіб. / [М. Д. Білик, О. В. Павловська, Н. М. Притуляк, Н. Ю. Невмержицька.] – Київ : КНЕУ, 2005. – 592 с.

8. Хелферт Э. Техника финансового анализа / Э. Хелферт / пер. с англ. ; под ред. Л. П. Белых. – 10-е изд. – Санкт-Петербург : Питер, 2003. – 640 с.

9. Fine L.G. The SWOT Analysis: Using your Strength to overcome Weaknesses, Using Opportunities to overcome Threats [Electronic resource] / L.G. Fine. – Access mode: <http://lawrencefine.com/downloads/SWOT%20-%20PDF.pdf>

10. Foong L. M. Understanding of SWOT Analysis [Electronic resource] / L. M. Foong. – Access mode: <http://effecta.com.au/wp-content/uploads/2010/07/Understanding-of-SWOT-Analysis.pdf>

11. Kim-Keung Ho J. Formulation of a Systemic PEST Analysis for Strategic Analysis [Electronic resource] / J. Kim-Keung Ho // EUROPEAN ACADEMIC RESEARCH. – Vol. II. – Issue 5/ August 2014. – Access mode: <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.433.5631&rep=rep1&type=pdf>

12. PEST & PESTEL Analysis [Electronic resource]. – Access mode: <https://strategicmanagementinsight.com/tools/pest-pestel-analysis.html>

Information resources

13. Офіційний сайт Агентства з розвитку інфраструктури фондового ринку України [Електронний ресурс]. – Режим доступу : www.smida.gov.ua.

14. Офіційний сайт Державного служби статистики України [Електронний ресурс]. – Режим доступу : www.ukrstat.gov.ua.

15. Registration and financial statements preparation of business : methodological support of the discipline [Electronic resource]. – <https://pns.hneu.edu.ua/course/view.php?id=7194>.