Programme Curriculum for Master Programme in Accounting and Finance

1. Identification

<table>
<thead>
<tr>
<th>Name of programme</th>
<th>Master Programme in Accounting and Finance</th>
</tr>
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<tbody>
<tr>
<td>Scope of programme</td>
<td>60 ECTS</td>
</tr>
<tr>
<td>Level</td>
<td>Master level</td>
</tr>
<tr>
<td>Programme code</td>
<td>EAGAF</td>
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<tr>
<td>Decision details</td>
<td>Board of the School of Economics and Management</td>
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<td>Amendment details</td>
<td>25 January 2019</td>
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</tbody>
</table>

2. Programme description

The target audience of the Master programme in Accounting and Finance consists of students who are aiming for a career as, for example, chief financial officer (CFO), controller, treasurer, auditor or accounting expert, or in other financial management or accounting functions, in internal audit, assurance, or management consultancy, or as a financial analyst or investment banker. An accounting and finance background from Lund University School of Economics and Management is an excellent springboard for a career in the top echelons of industry, as evidenced by the many senior corporate executives that have this background. This is, not least, due to the programme’s uniquely strong focus on the corporate applications of accounting and finance.

A career in corporate finance, financial accounting, financial analysis, internal auditing and control, management control, treasury management, and related professions requires an advanced level of understanding of the theories and practices of accounting and finance. The programme meets this need by providing a comprehensive, rigorous, yet applied treatment of key areas of accounting, management control, and corporate finance. It is founded on the idea that learning is fruitful when a subject matter is applied in practical decision contexts. Hence, strong emphasis is put on training participants’ abilities to discerningly and critically apply their knowledge in decision situations, and the programme makes intensive use of applications-oriented pedagogics, not least extensive, challenging, team-based projects, cases, and experiments. The programme expects a high level of academic performance from its participants, challenging participants to approach problems with a probing mindset and to evaluate corporate and societal consequences of possible solutions. Successful completion requires a significant amount of both independent study and team work.

The programme structure is flexible to cater to participants’ specialized interests in accounting, corporate finance, and management control. All participants begin with common core courses that enhance essential capabilities covering, for example, strategic management accounting, the theory and practice of financial accounting, analyzing financial statements, and valuing companies. Remaining course work consists of elective courses in accounting, corporate finance, and management control.
Accounting, corporate finance, and management control are closely related parts of the broader accounting and finance field. They all lie at the intersection where business strategy, processes, and information combine and represent critical functions in organizations to ensure that decisions, processes, and behaviors are consistent with corporate objectives and that strategies are related to performance. The strong emphasis on elective courses allows participants to benefit from the wide coverage of the field that the elective courses provide. The program caters equally to participants who desire to develop a broad understanding of the field and to those who rather wants to specialize to develop a deep understanding of accounting, corporate finance, or management control.

Elective courses in accounting give a deep understanding of accounting, financial reporting, and assurance practices and of principles for choosing accounting treatment for complex transactions and events. The courses aim to enhance participants’ skills in interpreting financial information and their abilities to communicate the meaning of financial information, analyzing business transactions, preventing, detecting, and investigating corporate fraud, and challenging conventional accounting practices and solutions, regulations, and institutionalized preconceptions.

Courses in corporate finance provide techniques and models to assist in financial decision-making and in solving complex and unstructured practical corporate financial problems, and the insight to determine whether these decisions make sense in a strategic competitive context. The courses aim to improve participants’ skills in analyzing the need for and design of corporate restructurings, designing financial policies, and financing and managing the risk of ventures, be they start-ups, incumbent firms, or corporate transactions.

Courses in management control deal with areas such as performance measurement and management to improve decision-making and strengthen motivation, contemporary management accounting techniques related to costing and pricing of products, as well as assessment of capital costs. The courses aim to increase participants’ understanding of linkages between strategy and performance, organizational characteristics, and the design of management accounting and control systems.

Career opportunities
There is a broad and extensive labour market for graduates of programmes in accounting and finance both nationally and internationally. The programme also provides a thorough preparation for academic research in accounting, corporate finance, and management control.

Connections to further studies
After completion of the programme, participants are eligible for applying to further studies on the advanced level in business administration as well as to doctoral programmes in business administration.

3. Learning outcomes
The programme builds on previous studies at the undergraduate level including knowledge obtained in business administration, accounting, and corporate finance. In accordance with the Swedish Higher Education Ordinance, the Degree of Master of Science (60 credits) is awarded to participants who at the completion of the programme accomplish the following:

Knowledge and understanding
- Participants should demonstrate knowledge and understanding within the topical themes in accounting and corporate finance covered by the programme.
- Participants should demonstrate in-depth knowledge and understanding within their chosen specialization in accounting and corporate finance, with specialization being determined through the
choice of elective courses and choice of topic for the independent project.
- Participants should demonstrate methodological knowledge and insight into current research and development work within the topical themes in accounting and corporate finance covered by the programme.

Skills and abilities
- Participants should demonstrate ability to integrate knowledge and competence in analyzing, assessing, and dealing with complex phenomena, issues, and situations within the topical themes in accounting and corporate finance covered by the programme, even when limited information is available.
- Participants should demonstrate ability to independently identify and formulate issues and to plan and, using appropriate methods, carry out advanced tasks within specified time limits.
- Participants should demonstrate an ability to work individually as well as in groups with students from different cultures in order to solve problems as well as to manage more extensive projects.
- Participants should demonstrate ability to use theories and methodologies learnt to analyze and assess accounting and corporate finance practice.
- Participants should demonstrate competence in clearly presenting and discussing their conclusions and the knowledge and arguments behind them, in dialogue with different groups, orally and in writing.
- Participants should demonstrate the skills required to participate in research and development work or to work in other advanced contexts.

Judgement and approach
- Participants should demonstrate ability to make assessments within the topical themes in accounting and corporate finance covered by the programme, taking into account relevant scientific, social, and ethical aspects, and demonstrate awareness of ethical aspects of research and development work.
- Participants should demonstrate insight into the potential and limitations of science, its role in society, and people’s responsibility for how it is used.
- Participants should demonstrate ability to identify their need of further knowledge and to take responsibility for developing their knowledge.

Independent project (degree project)
For a Master of Science (60 credits) participants must have completed an independent project (degree project) worth at least 15 higher education credits within the topical themes in accounting and corporate finance covered by the programme.

4. Course information
The programme of study is divided into two semesters and further subdivided into four study periods. Period 1 extends from late August to late October, period 2 from late October to mid-January, period 3 from mid-January to late March, and period 4 from late March to early June. Periods 1-3 are devoted to course work, whereas period 4 is devoted to writing the degree project.

The programme structure is flexible in that much of the course work consists of elective courses. This allows participants to design the type of specialization that they prefer within the broader area of accounting and corporate finance. To facilitate consecutive enhancement of participants’ knowledge, elective courses in period 3 may build on and enhance knowledge and skills covered on specific courses in period 2. As a result, the choice of elective courses in period 3 may in certain combinations be constrained by the chosen elective courses in period 2. This is highlighted in the course presentations. It is important to notice that available elective courses may be subject to variation. Also, certain electives may be very popular; although we can grant most students access to the electives they desire, there are no guaranteed places.
<table>
<thead>
<tr>
<th>Semester 1 (Autumn)</th>
<th>Semester 2 (Spring)</th>
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<tbody>
<tr>
<td><strong>Study period 1</strong></td>
<td><strong>Study period 2</strong></td>
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<tr>
<td>Sept-Oct</td>
<td>Nov-Jan</td>
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<tr>
<td>Core courses:</td>
<td>Elective courses – choose two*:</td>
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<tr>
<td>BUSO97 Corporate valuation (5 cr)</td>
<td>BUSO75 Corporate fraud and Forensic accounting (7.5 cr)</td>
</tr>
<tr>
<td>BUSO71 Management control (5 cr)</td>
<td>BUSO96 Designing finance (7.5 cr)</td>
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<tr>
<td>BUSO74 Perspectives on accounting (5 cr)</td>
<td>BUSN61 International accounting (7.5 cr)</td>
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<td></td>
<td>BUSN76 Performance measurement and management (7.5 cr)</td>
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<td></td>
<td>BUSN64 Strategic cost management (7.5 cr)</td>
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<td></td>
<td>BUSO98 Theory of corporate finance (7.5 cr)</td>
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</table>

* Certain courses may be very popular, and guaranteed study seats are not possible.

**Course information, study period 1**
In study period 1, all participants follow three common core courses:

- **Corporate valuation**: focuses on analyzing businesses, corporate performance, and financial reporting. Participants will gain in-depth knowledge of valuing companies, primarily using cash-flow-, income-, and comparables-based valuation methods.

- **Management control**: gives participants thorough understanding of advanced management accounting and control issues from both a theoretical and a practical perspective. Throughout the course, participants are confronted with the latest developments in management accounting and control in research as well as practice.

- **Perspectives on accounting**: focuses on the understanding of corporate financial reporting and how it is used by different actors in the information environment. It aims to provide insights into the theory and practice of accounting in corporations, and how this information is disseminated to investors and other interested parties including financial analysts and credit institutions for business analysis and valuation purposes. It also provides students with the knowledge and foundation to critically analyze developments in accounting.

**Course information, study period 2**
In study period 2, participants choose two courses. Available elective courses may be subject to variation, but examples include:

- **Corporate fraud and forensic accounting**: provides participants with enhanced and deepened knowledge and understanding of accounting, financial reporting, and assurance practices. It introduces participants to the nature and implications of fraud as a point of reference, both to illustrate the importance of reliable financial reporting and auditing and as
catalyst in triggering new regulatory initiatives that could have global consequences. The course covers prevention, detection, and investigation of fraud through the examination of internal and external control systems and evaluation of the role of gatekeepers and the regulatory environment. Case-based instruction is adopted to advance participant understanding and critical thinking as to how accounting is more than a collection of technical routines, but is socially constituted and shaped by its institutional contexts.

- **Designing finance**: focuses on the optimization of corporate capital and risk structures through active capital management. The course provides applied knowledge of how to assess and design corporate financing transactions, including venture capital, equity, straight, hybrid, and structured fixed-income securities and insurance products. It also trains participants in assessing credit risk and doing corporate credit ratings.

- **International accounting**: examines and analyzes accounting practices and principles in, and differences between countries. It enhances participants’ understanding of the choice of accounting treatment for complex transactions and events, not least in accordance with IFRS and US GAAP, and strengthens their abilities to analyze business transactions. The course also analyzes and compares the work of leading accounting standard-setting bodies, such as IASB (the International Accounting Standards Board) and FASB (the Financial Accounting Standards Board), to increase participants’ abilities to keep up-to-date with the fast-paced development of the area.

- **Performance measurement and management**: provides participants with advanced knowledge about the use of performance measurement to improve decision making and the motivation of individuals. The process of collecting, analyzing, and reporting financial and non-financial performance may relate to an individual, group, organization, or system. This process may be guided by a balanced scorecard approach or similar framework, linking performance measurement with objectives and strategies. Special emphasis is given to how biased decision-making related to assessment of performance can be avoided, and how different forms of financial and non-financial incentive schemes influence individual motivation.

- **Strategic cost management**: provides participants with deepened and thorough knowledge of investment analysis, credit analysis, and costing within a strategic framework. It provides participants with tools to investigate business problems, specialized knowledge about investment planning and costing on an aggregate level, and detailed knowledge about model building. The course also familiarizes participants with major and recent literature in their field as well as introduces important research techniques.

- **Theory of corporate finance**: provides advanced knowledge of corporate finance, covering topics such as the interaction between internal and external financing and risk management, contracting between a firm and its management and stakeholders, dividends and stock repurchases, and ownership structures.

*Course information, study period 3*

In study period 3, participants choose three courses. Available elective courses may be subject to variation, but examples include:

- **Accounting and management control for innovation and professional service firms**: provides participants with knowledge about how management control is influenced by different strategies, organizational characteristics and objectives, and market and societal factors. Special emphasis is given to complex situations that require balancing management control systems towards multiple and competing demands. Contexts covered include management control and management accounting techniques to support innovation strategies and professional services firms with knowledge-intensive work. The course assumes that participants have followed Performance measurement and management in period 2 (or hold equivalent knowledge).
• **Digital accounting:** The overall goal of the course is to combine advanced theoretical and practical perspectives of Digital Accounting (DA) to provide an understanding of data- and information flows in organizations, DA architecture including validation and risk management including the COSO model. In the course we also focus on the role of DA in decision making, including end-user development of DA for Business Intelligence and Business Analytics.

• **Corporate restructurings:** provides participants with thorough and practical understanding of how to analyze, compare, value, structure, and finance corporate restructurings, such as mergers and acquisitions, alliances, joint ventures, buyouts, spinoffs, carveouts, etc.

• **Corporate risk management:** deals with strategies and tactics for value-enhancing risk management, with particular emphasis on integrated and enterprise-wide risk-management solutions. The course also deals with risk-control mechanisms such as internal controls, insurance solutions, and risk management using derivatives, such as forwards, futures, swaps, and options.

• **Empirical accounting and corporate finance:** deals with empirical research techniques for analyzing accounting and corporate finance data. The course emphasises choosing and using appropriate statistical techniques for modelling cross-sectional and panel data and dealing with endogeneity. The course expects participants to know of cross-sectional regression analysis, including the classical linear regression model, ordinary least squares, and properties of the OLS estimator.

• **Financial accounting and communication:** focuses on the textual communication of the accounting numbers presented in financial reports. In order to understand such communication it is necessary to also understand principles for solving advanced accounting problems, i.e., to have an understanding of the origin of the performance measurements that are reported in annual and interim reports, annual meetings, press releases, etc. The course covers financial discourse and communication and is organized in different theoretical themes, such as accounts, intertextuality, linguistic hedging, metaphors, and narrative or storytelling.

**Course information, study period 4**

Study period 4 is devoted to the degree project where participants conduct their own research and demonstrate their ability to independently apply the knowledge gained from the course work. In the project work, participants further enhance their knowledge and understanding of accounting and corporate finance. The degree project is written in pairs. The subject for the degree project is chosen and initial work on the project is initiated during period 3. The work with the project is then continued full-time in period 4. A supervisor will be assigned to each degree project.

**Examples of course combinations**
The programme structure is flexible to cater to participants’ specialized interests in accounting and corporate finance and participants are free, within the boundaries of availability to combine elective courses. Certain electives may be very popular; although we can grant most students access to the electives they desire, there are no guaranteed places.

Examples of possible course combinations include:

<table>
<thead>
<tr>
<th>Focus on corporate finance</th>
<th>Corporate restructurings</th>
<th>Corporate risk management</th>
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<tbody>
<tr>
<td>Designing finance</td>
<td></td>
<td></td>
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<tr>
<td>Theory of corporate finance</td>
<td></td>
<td></td>
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<tr>
<td>Focus on financial accounting</td>
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Examples of possible course combinations include:
Corporate fraud and forensic accounting  
International accounting  
Digital accounting  
Financial accounting and communication

**Focus on financial analysis**

Designing finance  
International accounting  
Corporate restructurings  
Financial accounting and communication

**Focus on internal auditing and control**

Corporate fraud and forensic accounting  
Performance measurement & management  
Digital accounting  
Corporate risk management

**Focus on management control**

Performance measurement & management  
Strategic cost management  
Digital accounting  
Accounting and management control for innovation and professional service firms

**Focus on treasury management**

Designing finance  
Strategic cost management  
Digital accounting  
Corporate risk management

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### 5. Degree

Upon completion of the programme a Degree of Master of Science in Business and Economics (60 credits) will be awarded in compliance with the National Higher Education Ordinance (SFS 2006:1053). The major will be in Business Administration with specialization in Accounting and Finance (*Ekonomie magisterexamen: huvudområde företagsekonomi, specialisering redovisning och finansiering*).

### 6. Admission requirements and selection criteria

An undergraduate degree (BA/BSc) with at least 90 ECTS in business administration, or equivalent knowledge obtained through courses in related fields (for example, courses in accounting, business, commerce, corporate finance, international business, management, management science, marketing, and organisational studies). A major in corporate finance, financial accounting, financial management, or management accounting on the undergraduate level is preferred.

- At least 5 ECTS in financial accounting
- At least 5 ECTS in corporate finance
- At least 15 ECTS in one of the following fields: corporate finance, financial accounting, financial management, or management accounting
- English 6

**Recommended prior knowledge**

The programme is an advanced-level programme that assumes that all participants hold prior knowledge equivalent to a bachelor degree in corporate finance, financial accounting, financial management, or management accounting. Participants are expected to be able to:

- read and understand financial statements, including the consolidated statements of financial position, profit or loss, changes in equity, and cash flows
• calculate profitability, profit margin, asset turnover, and growth
• calculate net present value and internal rate of return
• calculate weighted average cost of capital

Participants are also expected to hold basic knowledge of statistics, including central statistical concepts such as mean, standard deviation, variance, covariance, correlation, and ordinary least squares. It is also useful for participants to hold a basic understanding of the risk/return tradeoff and of the capital asset pricing model.

Selection criteria
Selection is based on:
• academic qualifications from university studies and
• a Statement of Purpose (motivation letter) in which applicants state their reasons for applying to the programme and describe their specialized interests in the topical themes in accounting and corporate finance covered by the programme. The Statement of Purpose should also contain a self-assessment of the applicant’s prior knowledge of corporate finance, financial accounting, financial management, and management accounting.

7. Other information

Courses at the School of Economics and Management are graded according to the criterion-referenced principal grades A-F:

<table>
<thead>
<tr>
<th>GRADE</th>
<th>POINTS</th>
<th>CHARACTERISTIC</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>Excellent</td>
<td>100-85</td>
</tr>
<tr>
<td>B</td>
<td>Very good</td>
<td>84-75</td>
</tr>
<tr>
<td>C</td>
<td>Good</td>
<td>74-65</td>
</tr>
<tr>
<td>D</td>
<td>Satisfactory</td>
<td>64-55</td>
</tr>
<tr>
<td>E</td>
<td>Sufficient</td>
<td>54-50</td>
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<tr>
<td>F</td>
<td>Fail</td>
<td>49-0</td>
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It is up to the teaching professor to decide whether the credits of a course should be converted into a total of 100 points for each course, or if the scale above should be used as percentage points of any chosen scale instead.

Academic Integrity
The University views plagiarism very seriously, and will take disciplinary actions against students for any kind of attempted malpractice in examinations and assessments. The penalty that may be imposed for this, and other unfair practice in examinations or assessments, includes suspension from the University.