

Module Handbook Shipping Accounting

Scheme & Program	M.Sc. Shipping Management		
Module Title	Shipping Accounting		
Module Code			
Module Start Date/ Cohort	2021-22		
Module Level	Level 7	Credit Rating	[5 ECTS credits]
Total study time	24 hours academic directed time 3 hour lecture per week	Hours of independent Learning and time for assessments	125 hours of teaching and independent learning and time for assessments
Module Leader	Assistant Professor Dr. Naoum Vasilios-Christos		
Lecturer	Kechris Christos, CFO Aegean Shipping Management		
Email:	vcnaoum@unipi.gr , v.c.naoum@gmail.com		
Room:			
Office Hours:	Please email me for any queries or see me in sessions.		
Seminar Tutor(s):			
Program Director:	Professor Angelos Pantouvakis		
Administrator contact:	Mrs. Elvira Koutsouki, 2104142504		
Administrator e- mail:	shipman@unipi.gr		
Lecture day & time:	Weekdays 18.00-21.00		
Seminar day & time:			

1. Welcome Note

Welcome to the “Shipping Accounting” module of the M.Sc. in Shipping Management Program of the Department of Maritime Studies at University of Piraeus. The module’s objective is to provide a balanced and comprehensive framework of accounting, reporting and analysis, to enable students to acquire the requisite knowledge and skills to appraise current practice critically and to evaluate the key aspects of decisions that use financial statement information.

2. Module aims to

- ✓ Understand why financial statements are analyzed,
- ✓ Know where to obtain financial information,
- ✓ Determine when financial information is comparable and alternatively, learn how to enhance the comparability of financial information that may appear to be noncomparable,
- ✓ Critically assess the liquidity, profitability, capital structure and solvency of shipping firms,
- ✓ Understand the structure of the Statement of Cash Flows,
- ✓ Draw inferences about the financial performance of a firm from the Statement of Cash Flows,
- ✓ Assist students to understand the fundamentals of management and cost accounting applicable in the maritime industry and to examine its contribution towards increasing the cost-efficiency in shipping firms,
- ✓ Provide the necessary knowledge on important shipping accounting transactions.

3. Learning Outcomes–what you will gain from taking the module:

By the end of this module, students should be able to:

- ✓ Apply the horizontal and vertical analysis of financial statements of shipping firms,
- ✓ Identify, calculate, use, and interpret the most important ratios to measure liquidity, profitability, capital structure and solvency of a shipping company,
- ✓ Analyze the ratios to make the necessary investment decisions,
- ✓ Analyze the financial position and the performance of a shipping company,
- ✓ Identify limitations of financial statement analysis,
- ✓ Understand the importance of the Statement of Cash Flows,
- ✓ Explain the complementary nature of accrual earnings and cash flows,
- ✓ Identify the three types of activities that generate and use cash,
- ✓ Understand the main characteristics and applications for cost calculation, decision making and cost management.

4. Indicative Module Content:

The module contains:

- ✓ current accounting standards,
- ✓ illustrations from published accounts and financial statements,
- ✓ description of management and cost accounting concepts,
- ✓ a range of review questions and examples,
- ✓ discussion questions,
- ✓ exercises of varying difficulty,
- ✓ extensive references

5. How the module is taught, attendance and the teaching schedule:

The current module will utilize flexible, responsive and interactive learning environments using a combination among lectures, seminars, workshops and independent self-assessment tasks, to encourage students' ability to think critically and creatively. Thus, critical thinking will be achieved through case studies and real financial statement analysis scenarios. The above material is included within the current module to stimulate student thought and discussion. The questions and the exercises are designed to force the students to consider relevant issues that might otherwise be overlooked.

a. Teaching Schedule per every one of the 8 weeks

Lecture Date	Topic - Reading Material
<p>Week 1</p>	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Basic Financial Statements ✓ Relationships among Financial Statements ✓ Introduction to Cash Flows ✓ Accrual Earnings vs Cash Flow ✓ Quality of Operating Revenues <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides - notes ✓ Libby R., Libby P. Hodge F. (2021), "Financial Accounting", 11th Edition, McGraw Hill.
<p>Week 2</p>	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Structure of Cash Flow Statement ✓ Operating Cash Flows ✓ Investing Cash Flows ✓ Financing Cash Flows <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides - notes ✓ Libby R., Libby P. Hodge F. (2021), "Financial Accounting", 11th Edition, McGraw Hill.
<p>Week 3</p>	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Introduction to Financial Statement Analysis ✓ Standards for Comparisons – Benchmarks ✓ Financial Statement Analysis Tools <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides – notes ✓ Libby R., Libby P. Hodge F. (2021), "Financial Accounting", 11th Edition, McGraw Hill. ✓ Penman, S. (2013). Financial Statement Analysis and Security Valuation 5th ed. New York: Irwin/ McGraw-Hill.

<p>Week 4</p>	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Introduction to Horizontal analysis ✓ Comparative Statements ✓ Shipping Accounting Data ✓ Horizontal analysis of Financial Statements of Shipping companies ✓ Introduction to Vertical analysis ✓ Common-Size Financial Statements ✓ Vertical analysis of Financial Statements of Shipping companies <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides – notes ✓ Libby R., Libby P. Hodge F. (2021), “Financial Accounting”, 11th Edition, McGraw Hill. ✓ Penman, S. (2013). Financial Statement Analysis and Security Valuation 5th ed. New York: Irwin/ McGraw-Hill.
<p>Week 5</p>	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Accounting for vessel acquisitions ✓ Vessel acquisitions – New built ✓ Vessel acquisitions – Second Hand ✓ Vessel – Subsequent Measurement ✓ Repairs, Maintenance, and Improvements ✓ Depreciation Concepts <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides – notes ✓ Libby R., Libby P. Hodge F. (2021), “Financial Accounting”, 11th Edition, McGraw Hill.
<p>Week 6</p>	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Introduction to Cost Elements ✓ Stages of Production and the Flow of Costs of Shipping companies ✓ Schedule of Cost of Goods Manufactured ✓ Schedule of Cost of Goods Sold ✓ Asymmetric Cost behavior <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides – notes

	<ul style="list-style-type: none"> ✓ Bhimani, Horngren, Datar and Rajan, 2012, "Management and Cost Accounting", 5th Edition, Prentice Hall.
Week 7	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Shipping accounting transactions – case studies <p>Reading material</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides - notes
Week 8	<p>Topics:</p> <ul style="list-style-type: none"> ✓ Shipping accounting transactions – case studies <p>Reading Material:</p> <ul style="list-style-type: none"> ✓ PowerPoint presentation slides - notes

6. Assessment

The module will be assessed on the basis of:

A) Written exams (100%): A 2-hour written exam test.

Assessment Title and Brief Description	Word count/ Hrs where applicable	Weight	Submission deadline	Submission method	Feedback date	How feedback is provided
Written exams	2hrs	100%	TBD	In class	TBD	Electronically

Note: Any changes to the assessment schedule will be communicated by e-mail and/ or announcement on the module's E-College pages.

7. Recommended Reading

1. Main Material for the Course:

- Bhimani, Horngren, Datar and Rajan, 2012, "Management and Cost Accounting", 5th Edition, Prentice Hall
- Elliott, B. and Elliott, J. (2006), "Financial Accounting and Reporting", Ft Pr
- Foster, G., (1986), Financial Statements Analysis, 2nd edition, New Jersey: Prentice-Hall.
- Libby R., Libby P. Hodge F. (2021), "Financial Accounting", 11th Edition, McGraw Hill.
- Palepu, K., Bernard, V. and Healy, P., (1996), Business Accounting and Valuation: Text and Cases, Cincinnati, Ohio: South-Western Publishing Co., ITP.
- Penman, S. (2013). Financial Statement Analysis and Security Valuation 5th ed. New York: Irwin/ McGraw-Hill.

2. Support Material:

- Ballas A., Naoum, V.C. and Vlismas O. (2020), "The Effect of Strategy on Asymmetric Cost Behavior of SG&A Expenses". European Accounting Review, forthcoming
- Chasiotis, I. , Konstantios, D. and Naoum, V. (2021) Dividend Dynamics in the Shipping Industry: A Panel Data Analysis of Partial Adjustment Models. Theoretical Economics Letters, 11, 995-1001.
- Chasiotis, I. , Konstantios, D. and Naoum, V. (2021) The Determinants Of Corporate Payout Decisions In Globally - Listed Shipping Companies. Academy of Accounting and Financial Studies Journal, 25
- Feltham, J. and J. Ohlson. (1995). "Valuation and Clean Surplus Accounting for Operating and Financing Activities." Contemporary Accounting Research 11, 689-731.
- Naoum, V.C. and Papanastasopoulos G. (2021), "The implications of cash flows for future earnings and stock returns within profit and loss firms". International Journal of Finance and Economics, forthcoming
- Nissim, D. and S. Penman. (2001). "Ratio Analysis and Equity Valuation: From Research to Practice." Review of Accounting Studies 6, 109-154.
- Nissim, D., Penman, S.H. (2003). "Financial Statement Analysis of Leverage and How It Informs About Profitability and Price-to-Book Ratios". Review of Accounting Studies 8, 531–560.
- Venieris, G., Naoum, V. C. and Vlismas, O., (2015), "Organization Capital and Sticky Behaviour of Selling, General and Administrative Costs", Management Accounting Research 26: 54-82.
- Zhang, X. (2000). "Conservative Accounting and Equity Valuation." Journal of Accounting and Economics 29, 125-149.

Additional Course Material:

- Powerpoint presentation slides - notes

Websites

- ✓ INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB) <http://www.ifrs.org/>
- ✓ INTERNATIONAL MONETARY FUND (IMF) <http://www.imf.org/external/index.htm>
- ✓ ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD) <http://www.oecd.org/>
- ✓ WORLD TRADE ORGANIZATION <http://www.wto.org/>
- ✓ WORLD BANK <http://www.worldbank.org/>
- ✓ INTERNATIONAL ASSOCIATION OF PRACTISING ACCOUNTANTS <http://www.iapa-accountants.com/>
- ✓ INTERNATIONAL FEDERATION OF ACCOUNTANTS (IFAC) <http://www.ifac.org/>
- ✓ INTERNATIONAL MARITIME ORGANIZATION (IMO) www.imo.org/
- ✓ INTERNATIONAL CHAMBER OF SHIPPING <http://www.ics-shipping.org/>