

# Achieving Excellence in Accountancy Education: Sharing Good Practices and Opportunities for Reform

Key findings of the Accountancy Education benchmarking Study for Kosovo  
- *University of Pristina, Faculty of Economics, Accounting Department* -

**CFRR**   
Centre for Financial  
Reporting Reform



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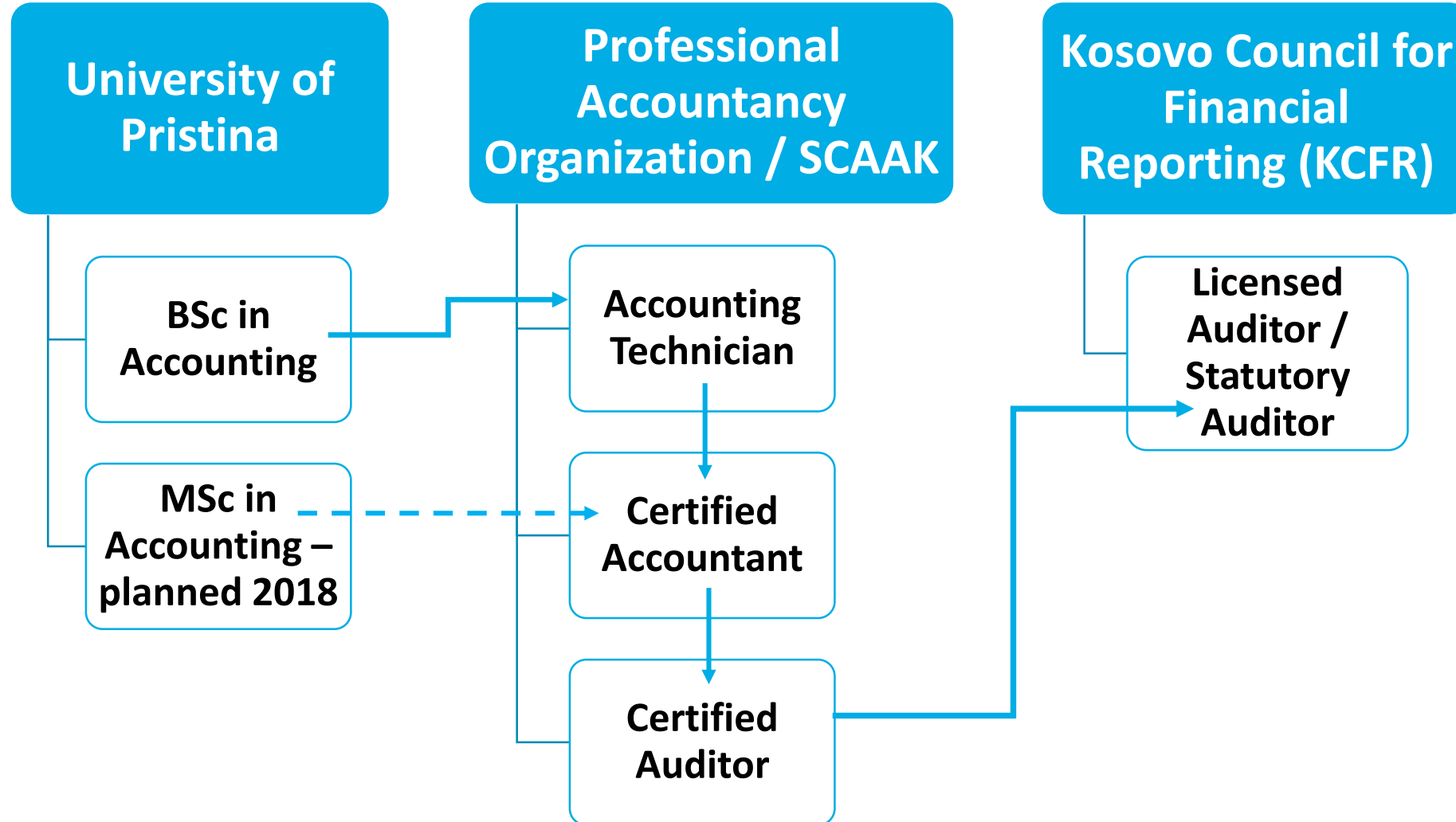
**Swiss Diamond Hotel  
Pristina, Kosovo**



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# Accountancy education model in Kosovo





## About University of Pristina - Faculty of Economics

- » Public University, established in 1971, largest faculty within the University of Pristina;
- » Operates 6 undergraduate degree programs (3 years), 5 graduate degree programs (2 years), and 5 doctoral degree programs (3 years);
- » Curricula updated in 2015;
- » The Faculty is financed by the Government subsidies (80%) and fees from students (20%)

# About University of Pristina - Faculty of Economics (.1)

- Accredited programs – Albanian language:
  - » Banking, Finance and Accounting (Bachelor, Master and PhD);
  - » Management and Informatics (Bachelor, Master and PhD);
  - » Marketing (*Bachelor, Master and PhD*);
  - » Economics (*Bachelor, Master and PhD*);
  - » **Accounting (Bachelor)**;
  - » Entrepreneurship and Local Economic Development (Master);
- Accredited programs – English language:
  - » Applied Economics and Business Management (Bachelor);
  - » Economics (PhD);



## About University of Pristina - Faculty of Economics (..2)

- » The Faculty is **autonomous** to initiate **new undergraduate, graduate and doctoral programs**, subject to approval by University Senate and accreditation by Kosovo Accreditation Agency.
- » The Faculty autonomously decides on **format of teaching and examination**.
- » **Academic partnerships are centralized through rectorate's** office for international relations.
- » Admission quotas are decided by the University Senate & Government of Kosovo.



## About University of Pristina - Faculty of Economics / Accounting Department

- » Admits 150 of overall 1600 students to the accounting undergraduate program;
- » Undergraduate accounting program **offered since 2010** (established with the help of USAID).
- » The Faculty **does not have a formal interface** with the corporate world; the Accounting Department has good cooperation with the professional accounting organizations and some professional accounting firms in the country.



## Update of Curricula – Accounting Department

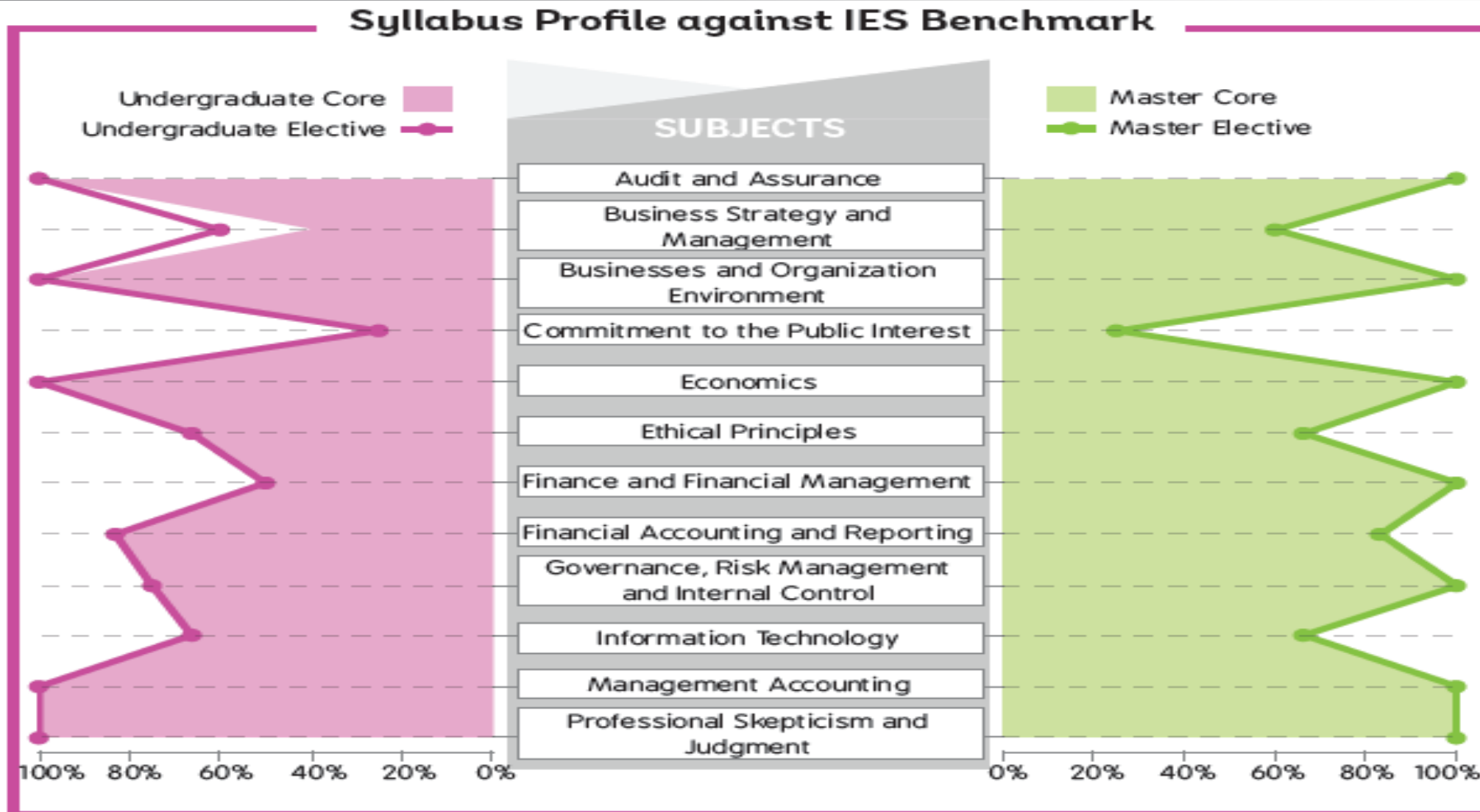
- » **Curricula reforms** for undergraduate (Bsc) studies were completed based on the overall outcome of self-assessment process which is required by the Accreditation Agency. Curricula created in 2010, is updated this year during the process of accreditation.
- » Academic staff **annually updates** their course syllabuses, if required.
- » Quality Assurance: the University Senate has approved three types of quality evaluation instruments: **questionnaire for academic staff; questionnaires for administrative staff and questionnaires for students.**



## Accounting and audit curricula / materials – IES's

- » The content of the Accounting curriculum taught at Faculty of Economics can be considered as **partly compliant** with IFAC's IES's for Professional Accountants (*IES 2 – Content of Professional Accounting Education Program*).
- » ***Exemptions:***
- » [ACCA](#), F1 – F4, for accounting and finance graduates.
- » [SCAAK](#), P1 - P4, for accounting graduates only.

# Accounting and audit curricula / materials – IES's (.1)





## Accounting and audit curricula/ materials

- » Accounting related textbooks availability in local language has been rated as very good, however textbooks in auditing, advanced accounting, ethics and corporate governance need improvement.
- » The use of English textbooks and materials has been rated as modest.
- » Translated version of IFRS's, ISA's and other relevant pronouncements **are available** in the Faculty.
- » All courses are currently taught in Albanian language.



## Faculty Body – Accounting Department

- » Accounting Department has teaching staff of 13 (1 Full-time Professor; 3 Associate Professors, 3 Assistant Professors and 6 Assistants).
- » Teaching norm is minimum **6 hours per week** for professors and **10 hours per week** for assistants.
- » Student/staff ratio raised from 25 students per staff in 2012 to **50 in 2014**. The ratio at **faculty level in 2014 is 150**.
- » Most of the Professors are proficient in English and have experience in publishing and teaching in English.



## Student Body

- » 8-10% of all students study in the Accounting Department.
- » The drop out rate in 2014 at the faculty level was 1.5%.
- » The English language proficiency among students can be considered as very good.
- » Average period of graduation for accounting students is 3 years and 8 months.
- » Currently the Faculty does not have a mechanism in place to measure employment after graduation.

# Accounting Student Body – Internship & Employment proportion

	Proportion
Local audit & assurance companies	10%
International audit & assurance companies	15%
Financial sector (banking, insurance, other credit institutions)	25%
Business community	40%
Government bodies	5%
Non-profit, non-governmental organizations	5%



# Benchmarking analysis results

- » Undergraduate Program in Accounting consists of 6 semesters (180 ECTS, 23 mandatory courses, 13 elective courses)
- » Some of the courses taught at the accounting department are:  
*Accounting, Financial Accounting, Financial Reporting, Management and Cost Accounting, Financial Statement Analysis, International Accounting, Advanced Accounting, Financial Institutions Accounting, Auditing, Professional Ethics for Accountants and Auditors, Tax Accounting.*
- » Benchmark analysis was performed against **ACCA Professional Qualification (Fundamental level courses)** and **CIPFA International Public Financial Management Qualification (up to Diploma level)**



# Benchmarking analysis results - ACCA

## » ACCA courses syllabus **included**:

- » Management Accounting; Financial Accounting
- » Financial Reporting;
- » Audit and Assurance; Performance Management; Accountant in Business;

## » ACCA courses **not included**:

- Corporate and Business Law
- Taxation

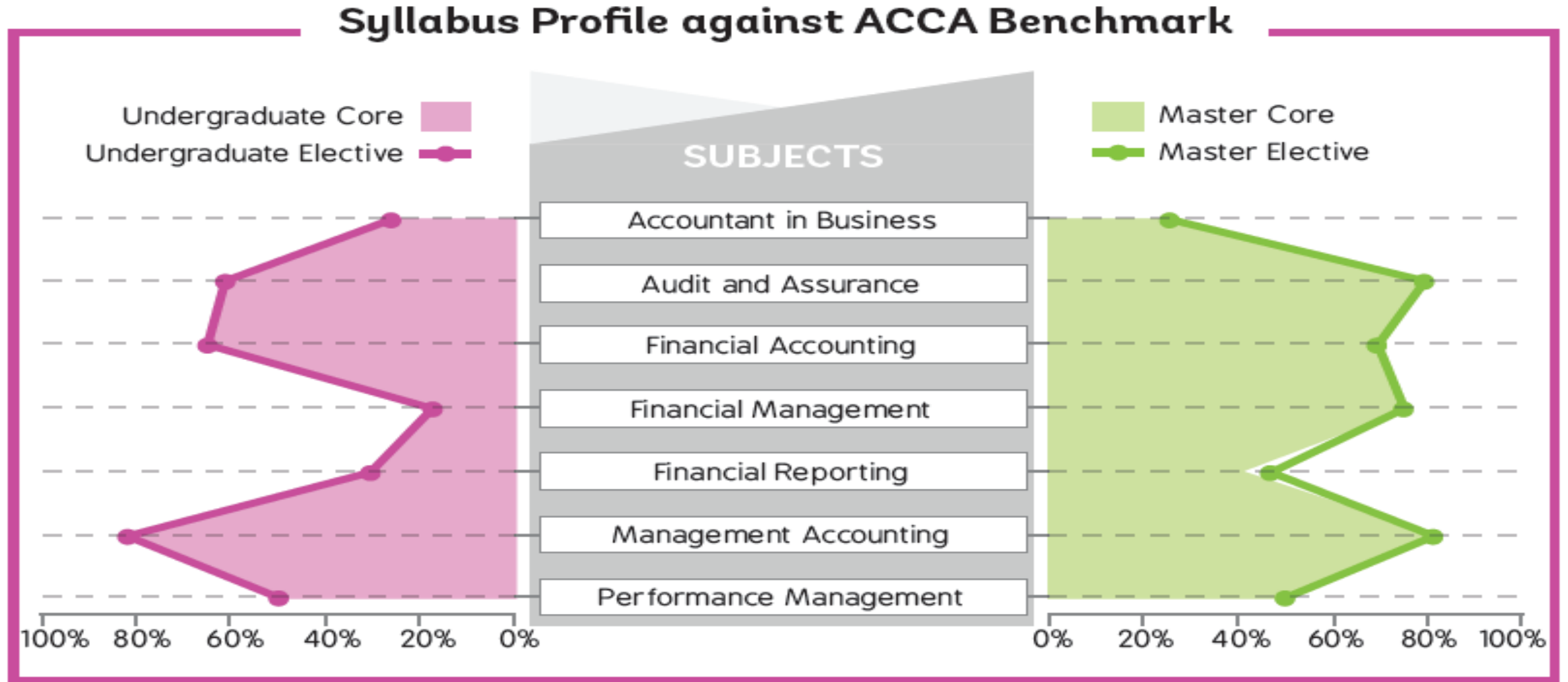




## Benchmarking analysis results – ACCA (.1)

- » Accounting and audit related courses taught at the *Undergraduate Program*- Accounting:
  - » Accounting
  - » Financial Accounting, Financial Reporting I, Managerial Accounting I and II, Public Sector Accounting
  - » Cost Accounting, Financial Reporting II
- » Accounting and audit related courses taught at the *Graduate Program*- Finance and Accounting:
  - » Advanced Financial Accounting;
  - » Management Accounting II;
  - » Risk Management II; Auditing and Assurance Services; Advanced Corporate Finance;

# Benchmarking analysis results – ACCA (.2)





## Benchmarking analysis results – ACCA (..3)

### » **Accountant in Business** topics not covered:

- Political, legal, social and demographic factors affecting business
- Environmental and technological factors
- Different ways in which formal organisations may be structured
- Organisational culture in business
- Financial systems, procedures and related IT applications
- Internal controls, authorisation, security and compliance within business
- Fraud and fraudulent behaviour and their prevention in business
- Sources of conflict and techniques for conflict resolution and referral



## Benchmarking analysis results – ACCA (..4)

### » **Financial Accounting and Reporting** topics not covered:

- Duties and responsibilities of those charged with governance.
- Revaluation of non-current assets
- Research and development costs
- Correction of errors, control accounts and reconciliations
- Suspense accounts, Incomplete records
- IAS/IFRS framework
- Impairment of assets
- Government grants
- Events after the reporting period
- Fair value adjustments



## Benchmarking analysis results – ACCA (..5)

### » **Auditing and Assurance** topics not covered:

- Audit objectives and tailored audit programs for specific items (non-current liabilities, provisions and contingencies; share capital and reserves)
- Computer-assisted audit techniques
- Internal Audit, its contribution, framework for internal audit, reports
- Audit procedures for going concern;
- Test of controls; Internal controls for specific transaction cycles
- Audit techniques in non-profits



## Benchmarking analysis results – ACCA (..6)

### » **Performance Management** topics not covered:

- Types of budget
- Performance management information systems
- Sources of management information
- Management reports
- External considerations and behavioural aspects
- Dealing with risk and uncertainty in decision making



## Benchmarking analysis results – ACCA (..7)

### » **Financial Management** topics not covered:

- Allowing for inflation and taxation in DCF
- Adjusting for risk and uncertainty in investment appraisal
- Sources of and raising business finance
- Estimating the cost of capital
- Valuation of assets and shares
- Valuation of debt and other financial assets
- Hedging techniques



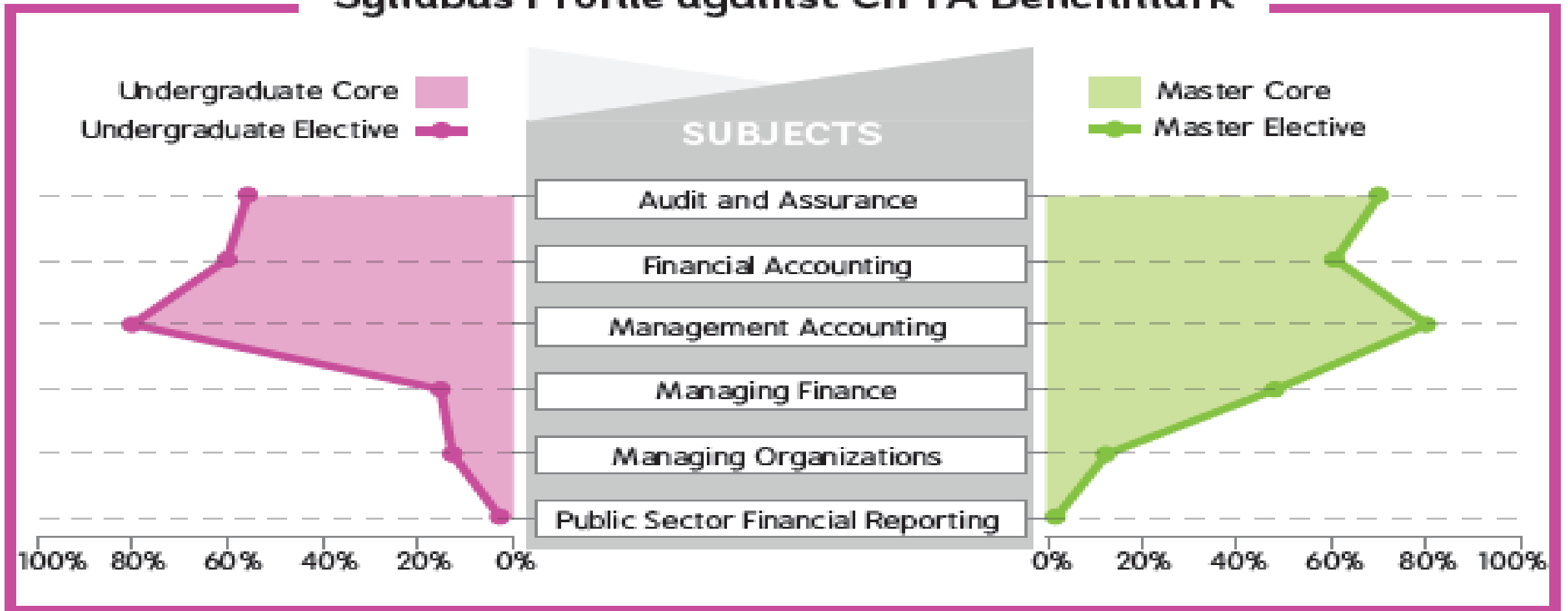
## Benchmarking analysis results - CIPFA

- » CIPFA International Public Financial Management Qualification courses **included (Diploma level)**:
  - » Financial Accounting; Management Accounting
  - » Audit and Assurance
  - » Financial Management, Managing Finances and Organizations
  - » Public Sector Financial Reporting



# Benchmarking analysis results – CIPFA (.1)

## Syllabus Profile against CIPFA Benchmark





## Benchmarking analysis results – CIPFA (..2)

- » **Public Sector Financial Reporting** is not taught at the program.
- » **Auditing and Assurance** topics not covered:
  - » Role of the International Organization of Supreme Audit Institutions (INTOSAI)
    - » Specific work of internal auditors; Contribution for Organisations; Regulatory Framework; Internal performance reviews and internal control audits; Reporting
    - » Role of different committees and corporate governance
    - » Audit in IT environment



## Benchmarking analysis results – CIPFA (..3)

### » **Managing Organisations** topics not covered:

- Procurement and typical tendering process in the public sector;  
Contracting in the Public Sector
- Outsourcing risks and benefits
- Quality control for service delivery in Public Sector; Service Delivery Environment
- Team formation, development and management, motivation
- Review and appraisal of individual performance
- Communicating in business
- Project management in Public Sector



## Benchmarking analysis results – CIPFA (..4)

### » **Managing Finance** topics not covered:

- Nature, elements and importance of working capital
- Investment Management in the Public Sector; Techniques in capital expenditure decision making
- Calculate Specific Cost of Capital in the Public Sector
- Exchange rate differences and interest rate fluctuations
- Price setting strategies and influencing factors (Public Sector)



# Challenges and opportunities

- » Update of Curricula & Translation of textbooks
  - » *IFRS/IAS, IFRS for SME, ISA*
  - » *Code of Ethics*
- » Accreditation of MSc in Accounting degree
- » Increase of cooperation with accounting and auditing companies



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**»Questions?**