



## Syllabus Course Program



# Internal Financial Control

**Specialty**

072 – Finance, banking, insurance and the stock market

**Educational program**

Finance and Banking

**Level of education**

Master's level

**Semester**

2

**Institute**

Institute of Education and Science in Economics, Management and International Business

**Department**

Accounting and Finance (205)

**Course type**

Optional

**Language of instruction**

English

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## Lecturers and course developers

**Svitlana Brik**

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PhD in Economic Sciences, Associate Professor, Associate Professor of Department of Accounting and Finance

20 years of work experience.

Author and co-author of more than 150 scientific and educational publications. Leading lecturer on the courses: "Financial accounting 2", "Enterprise accounting policy", "Financial control and audit", "Taxation audit of business entities", "Organization of accounting", "Internal Financial Control"

More about the lecturer on the department's website  
<https://web.kpi.kharkov.ua/acctfin/pro-kafedru/>

## General information

### Summary

The course covers key concepts and subsystems in the field of internal financial control. Students' mastery of the content of the discipline will allow to reveal the essence, methodology and features of internal financial control for making managerial decisions at the enterprise.

### Course objectives and goals

To form and consolidate in future specialists modern economic thinking in the field of internal financial control, which requires assimilation of the main theoretical provisions and mastering of the necessary practical skills that should ensure its effectiveness.

### Format of classes

Lectures, workshops, consultations, self-study. Final control in the form of tests.

### Competencies

Integral competence. The ability to solve complex tasks and problems in professional activity or in the process of learning in the field of finance, banking, insurance, stock market, which involves conducting

research and/or implementing innovations and is characterized by the uncertainty of conditions and requirements..

### **Learning outcomes**

LO2 To master methodological tools for identifying the state of corporate finance, to justify the selection process of securities for international portfolio, to monitor and audit changes in its structure and to assess risk with subsequent adoption of appropriate effective management decisions

### **Student workload**

The total volume of the course is 120 hours (4 ECTS credits): Lectures - 32 hours, workshops - 16 hours, self-study - 72 hours.

### **Course prerequisites**

Successful completion of the course requires knowledge and practical skills in the following disciplines: scientific research fundamentals, financial management, insurance management, management information systems in the financial and accounting sphere, tax management, international financial reporting standards.

### **Features of the course, teaching and learning methods, and technologies**

Interactive lectures with presentations, discussions, workshops, individual and team work, research work, work with literature and information sources, problem-based learning.

## **Program of the course**

### **Topics of the lectures**

1. Introduction to Internal Financial Control:
  - 1.1 Definition of terms and key objectives of internal financial control.
  - 1.2 History and evolution of the internal control concept.
  - 1.3 Importance of internal financial control for organizations.
2. Legislative Aspects and Regulation:
  - 2.1 The role of legislation in governing internal financial processes.
  - 2.2 Regulatory requirements and standards in the field of internal control.
3. Organizational Structure of Internal Financial Control:
  - 3.1 Roles and responsibilities of participants in the control process.
  - 3.2 Organizational structures and control hierarchies.
4. Processes and Procedures of Internal Control:
  - 4.1 Risk assessment and establishment of control measures.
  - 4.2 Control over financial operations.
  - 4.3 Monitoring and analysis of financial activities.
5. Technological Aspects of Internal Control:
  - 5.1 Use of information systems in the control process.
  - 5.2 Automation of control processes and data analysis.
  - 5.3 Use of specialized software for internal audit.
6. International Aspects of Internal Control:
  - 6.1 Comparative analysis of internal control practices in different countries.
  - 6.2 Issues of harmonization and standardization of internal control systems.
7. Ethics and Professional Standards of Internal Audit:
  - 7.1 Principles of ethical professional behavior for internal auditors.
  - 7.2 Concepts of independence and objectivity for internal auditors.
8. Case Studies and Practical Tasks for Developing and Improving Internal Control Systems:
  - 8.1 Review of real cases of violations and mistakes in financial management.
  - 8.2 Practical tasks for developing and improving internal control systems

### **Topics of the workshops**

1. Introduction to internal financial control

Analyzing past loss or fraud situations and determining how internal financial controls could have avoided or detected them.

## 2. Legislative aspects and regulation

Consideration of specific cases of violations of legislation on financial control and discussion of possible consequences for the organization.

## 3. Organizational structure of internal financial control

Development of the organizational structure of internal control for a specific company, taking into account its characteristics and needs.

## 4. Processes and procedures of internal control

Conducting an audit of financial processes and developing recommendations for their improvement.

## 5. Technological aspects of internal control

Study and analysis of existing information systems supporting internal control and their effectiveness.

## 6. International aspects of internal control

Comparison of internal control systems in different countries and analysis of the impact of international standards on them.

## 7. Ethics and professional standards of internal auditing

Solving ethical dilemmas that may arise during an internal audit.

## 8. Case studies and development and improvement of the internal control system

**Analysis of real cases with violations of internal control and development of a plan for their improvement**

## Topics of the laboratory classes

no laboratory classes.

## Self-study

Acquaintance with the regulatory framework in the field of internal financial control in Ukraine and abroad. Analytical review of scientific literature on internal financial control. Analysis of internal financial control of the enterprise. Development of an internal control system for a new business. Analysis of cases of internal control violations. Research of modern technological solutions to support internal control. Development of a code of ethics for internal auditors. Final online test.

## Course materials and recommended reading

1. Hryshchenko, I. M., Havryliuk, A. V. "Organization and Methodology of Internal Control and Audit". – Kyiv: Center for Educational Literature, 2021.
2. Kramarenko, H. O. "Internal Control and Audit in Public Administration". – Kyiv: KNUTE, 2022.
3. Malyarenko, V. A., et al. "Financial Control and Audit: Modern Challenges and Trends". – Kharkiv: S. Kuznets KhNEU, 2023.
4. Oliinyk, O. V. "Internal Control of Financial Risks in Enterprises of Ukraine". – Kyiv: Publishing House 'Kyiv-Mohyla Academy', 2022.
5. Chumachenko, O. A. "Organization of the System of Internal Audit and Control in State Institutions". – Lviv: Ivan Franko National University of Lviv, 2021.
6. Moeller, R. R. "Executive's Guide to COSO Internal Controls: Understanding and Implementing the New Framework". – 2nd Edition. – Hoboken: John Wiley & Sons, 2021.
7. Pickett, K. H. Spencer "The Internal Auditing Handbook". – 5th Edition. – Hoboken: John Wiley & Sons, 2022.
8. Rezaee, Z. "Corporate Governance and Internal Control: Strategic, Risk, and Governance-Based Approach". – 3rd Edition. – New York: Springer, 2023.
9. Hopkin, P. "Risk Management and Internal Control: Enhancing Organizational Value". – 6th Edition. – Kogan Page, 2021.
10. Arwinge, O. "Internal Control and Enterprise Risk Management: Aligning Risk and Controls in a Global Context". – 2nd Edition. – New York: Palgrave Macmillan, 2021.
11. Sawyer, L. B., & Dittenhofer, M. A. "Sawyer's Internal Auditing: The Practice of Modern Internal Auditing". – 8th Edition. – Altamonte Springs: The Institute of Internal Auditors, 2021..

## Assessment and grading

### Criteria for assessment of student performance, and the final score structure

100% of the final grade consists of assessment results in the form of: final test (60%); implementation of the student's self-work (40%).  
40% of independent work consists of:

- 20% of ongoing assessment (including essays, critical writing, reports on topics and work in practical classes);
- 20% of the current semester control (online tests).

The exam is written and contains:  
2 theoretical questions of different levels of difficulty and 1 practical task.

### Grading scale

Total points	National	ECTS
90-100	Excellent	A
82-89	Good	B
75-81	Good	C
64-74	Satisfactory	D
60-63	Satisfactory	E
35-59	Unsatisfactory (requires additional learning)	FX
1-34	Unsatisfactory (requires repetition of the course)	F

## Norms of academic integrity and course policy

The student must adhere to the Code of Ethics of Academic Relations and Integrity of NTU "KhPI": to demonstrate discipline, good manners, kindness, honesty, and responsibility. Conflict situations should be openly discussed in academic groups with a lecturer, and if it is impossible to resolve the conflict, they should be brought to the attention of the Institute's management.

Regulatory and legal documents related to the implementation of the principles of academic integrity at NTU "KhPI" are available on the website: <http://blogs.kpi.kharkov.ua/v2/nv/akademichna-dobrochesnist/>

## Approval

Approved by

Date, signature

**Head of the department**  
Oleksandr MANOYLENKO

Date, signature

**Guarantor of the educational program**  
Tetiana NAZAROVA