



Syllabus Course Program



Due Diligence

Specialty

071 Accounting and Taxation

Educational program

Accounting, Auditing and Taxation

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

Professional, Optional

Language of instruction

English

Lecturers and course developers

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Ph.D. (Economics)

Senior Lecturer of Accounting and Finance Department, Institute of Education and Science in Economics, Management and International Business, National Technical University "Kharkiv Polytechnic Institute"

Author and co-author of more than 42 scientific and methodical publications. Courses: "Tax analysis", "Taxation".

[More about the lecturer on the department's website](#)

General information

Summary

Formation of students' theoretical knowledge and practical skills regarding the organization and conduct of the due diligence procedure in the conditions of the domestic business environment.

Course objectives and goals

To form the necessary level of knowledge regarding the scientifically based methodological foundations of the due diligence procedure for domestic business entities; the ability to use basic categories and the latest concepts and methods for diagnosing business systems in modern business conditions.

Format of classes

Lectures, practical work, independent work, course project consultations. Final control - exam.

Competencies

GC01. Ability to identify, pose, and solve problems.

GC03. Skills in using information and communication technologies.

GC04. Ability to conduct research at an appropriate level.

GC05. Ability to generate new ideas (creativity).

GC06. Ability to search for, process, and analyze information from various sources.

GC07. Ability to work in an international context.

GC08. Ability to communicate with representatives of other professional groups at various levels (with experts from other fields of knowledge/types of economic activity).

GC10. Ability to act on the basis of ethical considerations (motives).

SC01. Ability to generate and use accounting information for making effective managerial decisions at all levels of enterprise management to improve the efficiency, effectiveness, and social responsibility of the business.

SC02. Ability to organize the accounting process and regulate the activities of its performers in accordance with the requirements of legislation and enterprise management.

SC04. Ability to prepare financial statements according to international standards, correctly interpret, disclose, and use relevant information to make effective managerial decisions.

SC05. Ability to apply methods and techniques of analytical support for modern management systems, taking into account the enterprise development strategy under conditions of uncertainty, risk, and/or information asymmetry.

SC07. Ability to formulate tasks, improve methodologies, and implement modern methods of financial and management accounting, analysis, auditing, and taxation in accordance with the strategic goals of the enterprise.

SC09. Ability to provide consulting services to owners, enterprise management, and other users of information in the areas of accounting, analysis, control, auditing, and taxation.

SC10. Ability to conduct scientific research to solve current issues in the theory, methodology, organization, and practice of accounting, auditing, analysis, control, and taxation.

Special (professional) competencies (defined by the higher education institution) for the discipline block 02 "Business Analytics":

SC2 Ability and skill to effectively apply analytical methods to identify investment risks in a company's activities when assessing the market value of economic assets, along with conducting internal control to prevent instances of illegal, inefficient, and ineffective use of company assets, and to avoid errors or other shortcomings in their operations.

Learning outcomes

Learning outcomes (defined by the higher education institution) for the discipline block 02 "Business Analytics":

LO2 Ability to evaluate the market value of enterprises based on an analysis of operational performance indicators, relationships with counterparties and government bodies, identification of adverse operational factors, and assessment of the accuracy and compliance of records with regulatory requirements, internal policies, accounting data, and financial reporting indicators of the enterprise.

Student workload

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

Course prerequisites

To successfully complete the course, you must have knowledge and practical skills in the following disciplines: "Financial Management", "Organization of Accounting", "Tax Management", "International Financial Reporting Standards".

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

Interactive lectures with presentations, discussions, practical sessions, individual and team work, research projects, literature and information source work, problem-based learning.

Program of the course

Topics of the lectures

Topic 1. Theoretical foundations of the due diligence procedure: conceptual goal, object, subject, task, information support.

Topic 2. General Due Diligence: content and stages of implementation.

Topic 3. Financial Due Diligence: components and verification procedure.

Topic 4. Tax Due Diligence: components and verification procedure.

Topic 5. Legal Due Diligence: components and verification procedure.

Topic 6. Operational Due Diligence: components and verification procedure.

Topic 7. Technological Due Diligence: features of conducting.

Topic 8. Vendor Due Diligence as an important element of controlling the activities of business entities.

Topics of the workshops

Topic 1. Determination of the theoretical foundations of the due diligence procedure on the example of practical cases.

Topic 2. Formation of the scheme for carrying out the General Due Diligence procedure on a conditional example.

Topic 3. Determining the main blocks of financial Due Diligence and carrying out relevant calculations for a conditional simulation example.

Topic 4. Definition of the main blocks of tax due diligence for a conditional simulation example.

Topic 5. Definition of the main blocks of legal due diligence for a conditional simulation example.

Topic 6. Operational Due Diligence: definition of the main blocks on the example of practical cases.

Topic 7. Technological Due Diligence: definition of the main elements on the example of practical cases.

Topic 8. Formation of conclusions based on the results of the due diligence procedure.

Topics of the laboratory classes

Laboratory work within the discipline is not provided.

Self-study

The educational discipline involves the performance of an individual calculation task.

Course materials and recommended reading

1. Jason A. Scharfman Private Equity Operational Due Diligence, + Website: Tools to Evaluate Liquidity, Valuation, and Documentation. Wiley; 1st edition. 400p.
2. Nathan Martinsberg Scientific due diligence: A handbook for investigators and investors. CreateSpace Independent Publishing Platform (May 3, 2018). 182p.
3. Joe Torre Real Estate Due Diligence: The Investor's Guide to Avoiding Costly Mistakes. Authority Publishing (May 24, 2021). 216p.
4. Heike Krieger Due Diligence in the International Legal Order. OUP Oxford (December 3, 2020). 420p.
5. B.D. Chatterjee Practical Guide to Financial Due Diligence, 2nd Edition. Bloomsbury India; 2nd edition, 2021. 216p.
6. Alice Ollino Due Diligence Obligations in International Law. Cambridge University Press, 2022. 386p.

Assessment and grading

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

100% of the final assessment consists of assessment results in the form of: performance an individual task in the form of a test (20%); final control work (40%) and performance of the student's independent work (40%).

40% of independent work consists of:

- 20% of the current evaluation (incl reports at the seminar, independent works and work in practical classes);
- 20% of the current semester control (theoretical questions and practical tasks). The exam is done in writing and contains: 2 theoretical questions of different difficulty levels 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 DAVYDIUK