

## COMPANY FINANCIAL REPORTING EXAMINABLE STANDARDS 2022

International standard	Knowledge Level	Detail
IAS 1 Presentation of Financial Statements	A	<ul style="list-style-type: none"> <li>• Explain the purpose of financial statements</li> <li>• Explain the general features of financial statements</li> </ul>
IAS 2 Inventories	A	<ul style="list-style-type: none"> <li>• Calculate cost and net realisable value</li> <li>• Inventory valuation rule</li> <li>• Calculation of cost using FIFO and weighted average.</li> <li>• Disclosure requirements</li> </ul>
IAS 7 Statement of Cash Flows	A	<ul style="list-style-type: none"> <li>• Identify and discuss the importance of cash flow statements.</li> <li>• Prepare a statement of cash flows for a single entity using the direct and indirect methods.</li> </ul>
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	A	<ul style="list-style-type: none"> <li>• Apply and discuss <ul style="list-style-type: none"> <li>◦ Selecting and applying accounting policies</li> <li>◦ Changes in in accounting policies</li> <li>◦ Changes in accounting estimates</li> <li>◦ Prior period errors.</li> </ul> </li> </ul>
IAS 10 Events After the Reporting Period	B	<ul style="list-style-type: none"> <li>• Identify adjusting and non-adjusting events</li> <li>• Account for adjusting events</li> <li>• Disclosure requirements for non-adjusting events</li> </ul>
IAS 12 Income Taxes	B	<ul style="list-style-type: none"> <li>• Account for current tax.</li> <li>• Account for deferred tax.</li> <li>• Calculate deferred tax for basic timing differences.</li> </ul>
IAS 16 Property, Plant and Equipment	A	<ul style="list-style-type: none"> <li>• Identify and compute the initial measurement of a non-current asset</li> <li>• Distinguish between capital and revenue expenditure</li> <li>• Account for revaluation gains and losses</li> <li>• Calculate depreciation for an asset held at cost or revaluation</li> <li>• Accounting for a disposal of a non-current asset</li> <li>• Knowledge of disclosure requirements</li> </ul>
IFRS 16 Leases	B	<ul style="list-style-type: none"> <li>• Explain substance over form in relation to leases</li> <li>• Discuss the accounting treatment of leases for the lessee</li> <li>• Knowledge of disclosure requirements for lessee accounting.</li> </ul>
IAS 19 Employee Benefits	C	<ul style="list-style-type: none"> <li>• Identify short-term employee benefits and show knowledge of how to account for them</li> <li>• Distinguish between an defined benefit and defined contribution scheme</li> <li>• Awareness of the accounting for these schemes</li> </ul>

IAS 20 Accounting for Government Grants and Disclosure of Government Assistance	B	<ul style="list-style-type: none"> <li>Define government grants and discuss their treatment in financial statements.</li> <li>Account for revenue and capital government grants</li> <li>Knowledge of disclosure requirements</li> </ul>
IAS 23 Borrowing Costs	B	<ul style="list-style-type: none"> <li>Discuss and apply circumstances where borrowing costs should be capitalised.</li> <li>Compute borrowing costs to be capitalised.</li> </ul>
IAS 24 Related Party Disclosures	C	<ul style="list-style-type: none"> <li>Identify related parties and understand their importance</li> <li>Show an awareness of the disclosure requirements</li> </ul>
IAS 27 Separate Financial Statements	B	<ul style="list-style-type: none"> <li>Knowledge of accounting for investments in subsidiaries and associates in separate financial statements</li> </ul>
IAS 28 Investment in Associates and Joint Ventures	B	<ul style="list-style-type: none"> <li>Equity account for a single associate</li> </ul>
IFRS 10 Consolidated Financial Statements	B	<ul style="list-style-type: none"> <li>Describe and explain the concept of a group as a single entity</li> <li>Define control and significant influence</li> <li>Discuss when control is achieved</li> <li>Discuss when a group is required to prepare consolidated financial statements</li> <li>Identify when a parent is exempt from preparing consolidated financial statements</li> <li>Acquisition account for a single subsidiary</li> <li>Identify pre and post-acquisition profits</li> <li>Calculate non-controlling influence</li> <li>Treatment of intra group transactions and balances</li> <li>Account for acquisition of a subsidiary via a share issue</li> <li>Account for acquisition of preference shares</li> <li>Account for goodwill impairment</li> <li>Calculate goodwill for the full and proportionate approaches</li> <li>Account for fair value adjustments arising on non-current assets</li> </ul>
IFRS 12 Disclosures of Interests in Other Entities	C	<ul style="list-style-type: none"> <li>Awareness of disclosure requirements</li> </ul>
IAS 32 Financial Instruments: Presentation	C	<ul style="list-style-type: none"> <li>Define financial instruments, financial assets, financial liabilities and equity</li> <li>Understand the importance of presentation for financial liabilities and equity and apply this to redeemable and irredeemable preference shares</li> </ul>
IFRS 9 Financial Instruments	C	<ul style="list-style-type: none"> <li>Identify the categories for financial instruments and to understand the accounting</li> </ul>

IFRS 7 Financial Instruments: Disclosures	C	<ul style="list-style-type: none"> <li>• Awareness of disclosure requirements</li> </ul>
IAS 33 Earnings Per Share	B	<ul style="list-style-type: none"> <li>• Explain the reasons for disclosing earnings per share.</li> <li>• Calculate basic earnings per share to include the following: <ul style="list-style-type: none"> <li>○ Issues at full market price</li> <li>○ Rights issue</li> <li>○ Bonus issue</li> </ul> </li> <li>• Calculate fully diluted earnings per share to include the following: <ul style="list-style-type: none"> <li>• Deferred ordinary shares</li> <li>• Convertible preference shares</li> <li>• Share options and warrants</li> <li>• Contingently issuable shares</li> </ul> </li> </ul>
IAS 36 Impairment of Assets	A	<ul style="list-style-type: none"> <li>• Define and identify when impairment losses occur.</li> <li>• Calculate and account for impairment losses.</li> <li>• Identify a cash generating unit</li> <li>• Understand the accounting for impairment losses arising in a cash generating unit</li> <li>• Knowledge of disclosure requirements</li> </ul>
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	B	<ul style="list-style-type: none"> <li>• Understand the need for an accounting standard in this area</li> <li>• Identify and explain the recognition criteria for a provision and the measurement of a provision</li> <li>• Account for a provision and a change in the provision</li> <li>• Identify and account for contingent liabilities and contingent assets</li> <li>• Apply recognition and measurement rules to future operating losses, onerous contracts and restructuring</li> <li>• Knowledge of disclosure requirements</li> </ul>
IAS 38 Intangible Assets	A	<ul style="list-style-type: none"> <li>• Define the criteria for initial recognition, measurement and subsequent measurement of intangible assets.</li> <li>• Apply the requirements to research and development expenditure and other intangible assets.</li> <li>• Knowledge of disclosure requirements</li> </ul>
IAS 40 Investment Property	B	<ul style="list-style-type: none"> <li>• Define investment property and discuss their treatment in financial statements.</li> <li>• Account for investment property held at cost or fair value</li> <li>• Transfers of investment properties</li> <li>• Knowledge of disclosure requirements</li> </ul>
IFRS 1 First Time Adoption of IFRSs	C	<ul style="list-style-type: none"> <li>• Understand how an entity prepares financial statements under international accounting standards for the first time.</li> </ul>
IFRS 3 Business Combinations	B	<ul style="list-style-type: none"> <li>• Discuss the concept and accounting treatment of goodwill in a business combination</li> </ul>
IFRS 5 Non current Assets Held for Sale and Discontinued Operations	B	<ul style="list-style-type: none"> <li>• Define assets held for sale and discontinued operations.</li> <li>• Apply the presentation of assets held for sale and discontinued operations when preparing financial statements</li> <li>• Discuss the significance of the presentation of assets held for sale and discontinued operations</li> </ul>
IFRS 8 Operating Segments	C	<ul style="list-style-type: none"> <li>• Define an operating segment</li> <li>• Awareness of disclosure requirement</li> </ul>

IFRS 15 Revenue Recognition	B	<ul style="list-style-type: none"> <li>• Knowledge of the five step model for revenue recognition</li> <li>• Explain and account for revenue that is recognised at a point in time or recognised over a period of time</li> <li>• Apply the methods of measuring performance to long term contracts</li> <li>• Explain and account for specific transactions- <ul style="list-style-type: none"> <li>○ principal versus agents</li> <li>○ consignment arrangements</li> </ul> </li> <li>• Knowledge of disclosure requirements</li> </ul>
IFRS 13 Fair Value Measurement	C	<ul style="list-style-type: none"> <li>• Understand the importance of fair values within international accounting standards</li> <li>• Awareness of the valuation approaches</li> <li>• Awareness of the inputs used to measure fair value</li> </ul>

### Knowledge levels

Level A (professional): A thorough knowledge with a solid understanding of the subject matter and some experience in the application thereof in practice sufficient to: exercise reasonable professional judgement in the application of the subject matter in those circumstances generally encountered in practice; and recognise when the assistance of a specialist may be required. This level of knowledge is lower than that of a specialist.

Level B (technician): A working knowledge with a broad understanding of the subject matter and a modicum of experience in the application thereof sufficient to: apply the subject matter in straightforward circumstances; and identify issues requiring professional attention in more complex situations.

Level C (generalist): A general knowledge with a basic understanding of the subject matter and training in the application thereof sufficient to: identify significant issues; evaluate their potential implications or impact; and recognise that additional work or advice may be required to be performed by a person technically competent in this area of expertise. This level of knowledge is significantly greater than that of a layperson. You will not be required to tackle numerical examples for standards examined at level C.