

Annex A

COMPANY FINANCIAL REPORTING EXAMINABLE STANDARDS Up to and including March 2023 examinations

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

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

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

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

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.