

Business Reporting Examinable Standards 2023

Standard	Knowledge level - Business Reporting	Examinable elements of the standard
Preface to IFRS Standards	C	• Objectives of IASB
		• Objectives of IFRS and standard setting process
		• Scope and authority of IFRS
Conceptual Framework for Financial Reporting	B	• Summary content of each chapter (1 to 8)
		• Additional emphasis on qualitative characteristics (chapter 2)
IAS 1 Presentation of Financial Statements	A	• Explain the purpose of financial statements
		• Describe the general features of financial statements
		• Statement of financial position
		• Statement of comprehensive income
		• Statement of changes in equity
		• Statement of cash flows
		• Notes – summary of significant accounting policies and other explanatory information; explicit and unreserved statement of compliance with IFRS standards
		• Describe the format of financial statements
		• Describe the minimum content of financial statements
IAS 2 Inventories	A	• Calculate cost and net realisable value
		• Explain the inventory valuation rule
		• Calculate cost using FIFO and weighted average methods
		• Account for writing off inventory
		• Describe main disclosure requirements
IAS 7 Statement of Cash Flows	A	• Discuss the importance of the statement of cash flow.
		• Describe format of statement of cash flows and define operating, investing and financing cash flows
		• Allocate cash flows to appropriate sections of the statement
		• Prepare a statement of cash flows for a single entity:
		• direct method
		• indirect method
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	A	• Interpret cash flow information
		• Define and discuss accounting policies, accounting estimates and errors.
		• Select and apply accounting policies
		• Account for changes in accounting policies
		• Account for changes in accounting estimates
		• Account for prior period errors

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IAS 10 Events After the Reporting Period	A	<ul style="list-style-type: none"> • Define and identify adjusting and non-adjusting events • Account for adjusting events • Describe 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"> • Determine the initial recognition and measurement of a non-current asset • Define and identify capital and revenue expenditure • Account for revaluation gains and losses, changes in expected useful life, and improvements • Calculate depreciation for assets held at cost and at revalued amount • Account for the derecognition or disposal of a non-current asset • Describe the main disclosure requirements • Prepare tabular disclosure note for PPE
IAS 19 Employee Benefits	B	<ul style="list-style-type: none"> • Identify short-term employee benefits and describe how they are accounted for • Describe defined benefit and defined contribution schemes • Describe accounting requirements for defined benefit and defined contribution schemes
IAS 20 Accounting for Government Grants and Disclosure of Government Assistance	B	<ul style="list-style-type: none"> • Define government grants and describe their treatment in financial statements. • Account for revenue and capital government grants • Account for government assistance • Describe main disclosure requirements
IAS 23 Borrowing Costs	B	<ul style="list-style-type: none"> • Describe circumstances where borrowing costs should be capitalised – commencement and cessation • Determine borrowing costs to be capitalised • Account for borrowing costs • Describe main disclosure requirements
IAS 24 Related Party Disclosures	B	<ul style="list-style-type: none"> • Define and identify related parties • Identify relationships that are not related parties under IAS 24 • Describe main disclosure requirements
IAS 27 Separate Financial Statements	B	<ul style="list-style-type: none"> • Describe accounting requirements for investments in subsidiaries and associates in separate financial statements • Prepare relevant extracts from financial statements
IAS 28 Investment in Associates and Joint Ventures	A	<ul style="list-style-type: none"> • Define associate and joint venture relationships • Describe principles of accounting treatment of associates and joint ventures • Apply equity accounting for a group with one associate – trading, dividends • Account for transactions between a group and its associate • Prepare consolidated income statement and consolidated statement of financial position for a group with one associate • Describe exemptions to application of equity method to investment in an associate

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IAS 33 Earnings Per Share	A	• Explain the reasons for disclosing earnings per share.
		• Calculate basic earnings per share to include: <ul style="list-style-type: none"> • Issues at full market price • Rights issue • Bonus issue
		• Calculate fully diluted earnings per share to include: <ul style="list-style-type: none"> • Deferred ordinary shares • Convertible preference shares • Share options and warrants • Contingently issuable shares
		• Describe main disclosure requirements
		• Define impairments
		• Identify when impairment losses occur
		• Calculate and account for impairment losses
		• Identify a cash-generating unit
		• Describe the accounting for impairment losses arising in a cash-generating unit
		• Account for the reversal of an impairment
• Describe main disclosure requirements		
IAS 36 Impairment of Assets	A	• Define provisions, contingent liabilities and contingent assets
		• Identify and explain the recognition criteria for a provision and the measurement of a provision
		• Account for the creation of a new provision and for a change in an existing provision
		• Apply expected values to estimate a provision
		• Explain company restructuring and provisions
		• Account for future operating losses, onerous contracts and company restructuring
		• Identify contingent liabilities and describe the accounting and disclosure requirements
IAS 37 Provisions, Contingent Liabilities and Contingent Assets	A	• Describe the criteria for initial recognition, measurement, and subsequent measurement of intangible assets.
		• Identify intangible assets
		• Define and account for research and development expenditure
		• Define and account for other intangible assets.
		• Describe and apply accounting treatment for amortisation, subsequent expenditure, de-recognition
		• Describe main disclosure requirements
IAS 38 Intangible Assets	A	• Define investment properties
		• Describe recognition and accounting treatment of investment properties.
		• Account for investment property held at cost or fair value
		• Describe treatment of transfers of investment properties
		• Describe main disclosure requirements
IAS 40 Investment Property	A	• Define main terms used in IFRS 1
		• Describe process of transition to IFRS
		• Describe way in which exemptions from requirements of IFRS may be used during the transition to IFRS
		• Describe main disclosure requirements
IFRS 1 First Time Adoption of International Financial Reporting Standards	C	• Define main terms used in IFRS 1
		• Describe process of transition to IFRS
		• Describe way in which exemptions from requirements of IFRS may be used during the transition to IFRS

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IFRS 3 Business Combinations	B	<ul style="list-style-type: none"> • Define control, goodwill and negative goodwill • Describe and apply the 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. • Describe and apply the requirements for the presentation of assets held for sale and discontinued operations in financial statements • Describe main disclosure requirements
IFRS 8 Operating Segments	C	<ul style="list-style-type: none"> • Define an operating segment • Describe operating segment thresholds • Discuss the need for additional disclosure for operating segments • Describe main disclosure requirements
IFRS 10 Consolidated Financial Statements	A	<ul style="list-style-type: none"> • Describe and explain the concept of an economic entity • Define control and significant influence • Identify when control is achieved • Describe situations in which a group is required to prepare consolidated financial statements • Describe situations where a parent is not required to prepare consolidated financial statements • Account for the acquisition of a single subsidiary • Identify pre-acquisition and post-acquisition profits • Calculate non-controlling interest • Describe the treatment of intra-group transactions and balances • Account for the acquisition of a subsidiary via a share issue • Account for the acquisition of preference shares • Account for the impairment of goodwill • Calculate goodwill using the full and proportionate approaches • Account for fair value adjustments arising on non-current assets • Prepare consolidated income statement and consolidated statement of financial position for a group with a single subsidiary
IFRS 11 Joint Arrangements	C	<ul style="list-style-type: none"> • Definitions and accounting treatment for joint arrangement, joint operation, joint control, joint ventures • Describe accounting and reporting for joint operations • Describe use of equity method of accounting for joint ventures
IFRS 12 Disclosure of Interests in Other Entities	C	<ul style="list-style-type: none"> • Describe main disclosure requirements in relation to subsidiaries, associates and unconsolidated structured entities
IFRS 13 Fair Value Measurement	C	<ul style="list-style-type: none"> • Define fair value • Discuss the use of fair value in international accounting standards • Describe available valuation approaches • Discuss the information used to determine fair value

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IFRS 15 Revenue from Contracts with Customers	A	<ul style="list-style-type: none"> • Describe 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 • Prepare extracts of income statement, statement of financial position, and disclosure note • Explain and account for specific revenue transactions: <ul style="list-style-type: none"> • principal versus agents • consignment arrangements • Describe main disclosure requirements
IFRS 16 Leases	A	<ul style="list-style-type: none"> • Explain recognition and measurement of right-of-use assets • Discuss the accounting treatment of leases by the lessee • Account for the capitalisation of a lease, recognition of a lease liability, and the calculation of interest and principal elements of lease payments: <ul style="list-style-type: none"> • Annual payments in arrears • Annual payments in advance • Multiple payments in each year • Apply the accounting requirements to determine lease liability, asset value, depreciation charge • Describe exemptions to recognition of right-of-use assets • Describe main disclosure requirements for lessee accounting
IFRS 7 IFRS 9 IAS 32	C	<ul style="list-style-type: none"> • Define financial instruments • Carrying amounts of financial instruments • Describe main disclosure requirements

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.