

PRE-REQUISITE(S)

No pre-requisite is required

CREDIT HOURS

4

SYNOPSIS

With the emphasis on the application of the particular accounting standards, the students will develop the necessary skills to be able to apply some financial reporting standards. Students' appreciation as to how fundamental accounting concepts and principles for general purpose financial reporting elucidated in the framework that aid professional judgement in the application of the financial reporting standards will be enhanced. Students will further gain insights into the latest developments and changes in the relevant financial reporting standards and other regulations.

LEARNING OUTCOMES

- Examine and explain the principles and concepts that underlie corporate financial reporting and formulate measures to integrate the economic consequences of accounting choices into accounting policies formulation.
- Evaluate firm's performance, compliance and corporate reporting policies by applying the relevant accounting standards and other relevant regulations.
- Critique on the future development directions in financial reporting and disclosure and develop strategies to respond to the growing importance of disclosure as a regulatory device in company law.

TOPICS

- Topic 1 Overview of Disclosure
- Part A
- General features of a complete set of financial statements – revisit
 - Fair presentation and compliance with standards
 - Going concern
 - Fundamental accounting concepts – revisit
- Part B: Statement of financial position
- Information to be presented in the statement of financial position
 - Current/non-current distinction
 - Illustrative statement of financial position

- Information to be presented either in the statement of financial position or in the notes

Part C: Statement of profit or loss and other comprehensive income

- Information to be presented in the statement of profit or loss and other comprehensive income
- Illustrative statement of profit or loss and other comprehensive income

Part D: Statement of Changes in Equity

- Illustrative statement of changes in equity

Part E: Notes

- Disclosure of accounting policies
- Sources of estimation uncertainty
- Capital
- Other disclosures
- Judgement and materiality disclosure concept

Topic 2

Intangible assets

- Review on IAS 38
- Nature of intangible assets
- Recognition and initial measurement
- Retirement and disposal
- Disclosures policies

Topic 3

Income taxes – advanced topics

Part A: Revisit

- Assets carried at fair value or revalued amounts
- Recognition of deferred tax on revaluation
- Measuring deferred tax assets and deferred tax liabilities
- Recovery of non-depreciable assets
- Goodwill and negative goodwill
- Initial recognition of an asset or liability

Part B: Recognition of deferred tax assets and deferred tax liabilities

- Tax losses and unused tax credits
- Recoupment of tax losses
- Application of the probable criterion
- Entities with history of recent losses

Part C: Measurement and disclosure

- Measurement
- Financial statement presentation and disclosure

Topic 4

Business Combinations

Section A

- IFRS 3 Business Combination – A Review
- Revisit on identification of acquirer and relevant accounting records

- Additional considerations on purchased goodwill and bargain purchase
- Application of the principle of control in determining the nature of business acquisition
- Disclosures

Topic 5 Consolidated accounts

IFRS 10

- Control as the criterion for consolidation
- Power – as per revised conceptual framework
- Exposure or rights to variable returns
- Ability to use power to affect returns
- Agents
- Discuss which entities should prepare Consolidated Financial Statements
- Disclosures policies

Topic 6 Property, Plant and Equipment

Section A

- Nature of PPE
- Initial recognition criteria
- Alternative measurement subsequent to initial recognition

Section B

- Cost model of measurement
- Valuation model of measurement

Topic 7 Impairment of asset

Section A

- The scope of the impairment test of assets
- How to undertake impairment test?

Section B

- Identity a cash – generating unit
- Account for impairment of goodwill
- Reversal of impairment losses
- Disclosure requirements

Topic 8 The IASB and its Conceptual Framework

- Review of the latest development in Conceptual Framework
- Revisit to prudence principle
- Revisit on Measurement Concepts

Topic 9 Future developments in financial reporting practice – An overview on development and new accounting standards

ASSESSMENT DETAILS

Continuous Assessment	%
Presentation of Short Synthesis Assignment	30
Metacognitive Discussion on Written Assessment work	20
Final Assessment	%
Open Book Exam	20
Written Assessment Report	20
Closed Book Exam	10

PRESCRIBED TEXT

Main:

Leo Hoggett Sweeting et al - Company Accounting (11th Ed) (2018) Wiley

Loftus, J., K. Leo, S. Daniliuc, N. Boys, B. Luke, H.N. Ang and K. Byrnes (2nd Ed) (2018)

IFRS: International Financial Reporting Standards 2018 (Red). IASB UK

Additional References:

Ruth Picker, Kerry Clark, John Dunn, Applying IFRS Standards (4th Ed), (2016) Wiley

IASB, International Financial Reporting Standards (Current Edition) (Alternatively referred to as IASB Handbook)

Jane Lazar, Tan Lay Leng, Company and Group Accounting & Reporting, (2015), Prentice Hall.

Malaysian Accounting Standards Board (MASB) published accounting standards (latest edition)

CPA Programme, Financial Reporting, 2017

EY, International GAAP 2018, Wiley

KPMG Illustrative Disclosures – Guide to annual financial statements IFRS Standards, September 2018