

FA (Financial Accounting)

The context and purpose of financial reporting

1. The scope and purpose of financial statements for external reporting
2. Users' and stakeholders' needs
3. The main elements of financial reports
4. The regulatory framework (legislation and regulation, reasons and limitations, relevance of accounting standards)
5. Duties and responsibilities of those charged with governance.

The qualitative characteristics of financial information

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The use of double-entry and accounting systems

1. Double-entry book-keeping principles including the maintenance of accounting records and sources of accounting information
2. Ledger accounts, books of prime entry, and journals

Recording transactions and events

1. Sales and purchases
2. Cash
3. Inventory
4. Tangible non-current assets
5. Depreciation
6. Intangible non-current assets and amortisation
7. Accruals and prepayments
8. Receivables and payables
9. Provisions and contingencies
10. Capital structure and finance costs

Preparing a trial balance

1. Trial balance
2. Correction of errors
3. Control accounts and reconciliations
4. Bank reconciliations
5. Suspense accounts

Preparing basic financial statements

1. Statements of financial position
2. Statements of profit or loss and other comprehensive income
3. Disclosure notes
4. Events after the reporting period
5. Statements of cash flows
6. Incomplete records

Preparing simple consolidated financial statements

1. Subsidiaries
2. Associates

Interpretation of financial statements

1. Importance and purpose of analysis of financial statements
2. Ratios
3. Analysis of financial statements