

STAGE: PROFESSIONAL 1

Subject Title:

CORPORATE REPORTING

Examination Duration: 3.5 Hours

Aim

The aim of this subject is to ensure that students have the technical knowledge and critical understanding of how to account for transactions and prepare financial statements for both single entities and groups, in accordance with international financial reporting standards and Irish GAAP.

Corporate Reporting as an Integral Part of the Syllabus

Corporate Reporting develops the concepts covered in Financial Accounting and provides students with the appropriate context to develop their technical skills. It is an essential underpinning for the later study of Advanced Corporate Reporting and Audit Practice & Assurance Services.

Stage	Subject	Subject	Subject	Subject	Subject	Subject
P2	Strategic Corporate Finance	Strategic Performance Management	Advanced Corporate Reporting	Strategy & Leadership	Audit Practice and Assurance Services	Advanced Taxation
P1		Managerial Finance	Corporate Reporting	Corporate Laws and Governance	Auditing	
F2		Management Accounting	Financial Accounting	Information Systems	Taxation	
F1			Management in Organisations	Economics and Business Planning	Business Law and Professional Ethics	

The above table shows the linkages between Corporate Reporting and the subjects highlighted. The capabilities developed will be built upon in the study of the subjects highlighted above.

Learning Outcomes

On successful completion of this subject, students should be able to:

- Prepare the financial statements of companies and groups of companies in accordance with current international financial reporting standards and national and EU legislation, including:
 - Statements of Profit or Loss and other Comprehensive Income,
 - Statements of Financial Position
 - Statements of Changes in Equity, and
 - Statements of Cash flow.
- Discuss the circumstances under which organisations may, or must apply IFRS and / or local UK and Irish GAAP demonstrating an understanding of the key accounting and presentation differences between them if Local GAAP was applied.
- Prepare notes to financial statements in accordance with current international financial reporting standards and national and E.U. legislation.
- Appraise and apply the methods of accounting for business combinations; and
- Interpret financial statements and prepare reports tailored to each user group's technical knowledge and understanding of such statements.

Syllabus

1: COMPANY ACCOUNTS

CL*

Preparation and presentation of financial statements to comply with the Companies Act 2014, and standard international accounting practice. 2

2: LoCAL gAAP

FRs 100 – the differences between FRs 100 and IFRs with particular reference to: scope; terminology used; and format of accounts. 1

FRs 101 – the differences between FRs 101 and IFRs with particular reference to the scope of this standard 1

FRs 102 – the key differences between accounting treatments examinable at the P1 stage under IFRs and the equivalent elements of FRs 102. (sections 12, 31 and 34 are excluded). 1

3: GROUP ACCOUNTS AND BUSINESS COMBINATIONS

Consolidated statements of financial position, consolidated statements of profit or loss and other comprehensive income, including reserve reconciliations, consolidated statements of cash flow, acquisition of subsidiaries and associates during the year (excluding foreign subsidiaries and associates). 3

Takeover of partnership and sole traders. 3

Treatment of goodwill at acquisition N.B Sub-subsidiaries are not included. 3

4: INTERPRETATION OF FINANCIAL STATEMENTS

Ratio analysis, cash flow analysis, interpretation, and the preparation of reports thereon. 3

INTERNATIONAL FINANCIAL REPORTING STANDARDS:

See Examinable Material Document on pages 92 to 99 for details of the International Financial Reporting Standards etc. applicable to this examination.

COMPANIES ACT:

See Examinable Material Document on pages 92 to 99 for details of the Companies Act applicable to this examination.

Assessment Strategy

EXAMINATION APPROACH

Students are required to demonstrate a detailed understanding of accounting principles and the ability to apply these to practical situations. A peripheral knowledge does not suffice. In addition to testing technical competence the examination requires students to demonstrate effective communication skills, particularly in relation to the production of both internal memoranda and external financial reports for a wide variety of user groups. Students are expected to integrate and apply learning from this and other syllabi, as appropriate.

EXAMINATION FORMAT

The examination is unseen, closed-book and 3.5 hours in duration. Students are required to answer questions 1 to 3, and either question 4 or 5.

One of the compulsory questions is multiple choice, with 8 sections based mainly on International Financial Reporting Standards and the preparation of limited company and group accounts in accordance with those standards. The other two compulsory questions are mainly computational. Students are required to answer one of the remaining two questions.

Marks Allocation	Marks
Questions 1 and 2, compulsory, both computational questions (30 Marks each)	60
Question 3 Multiple Choice question	20
Questions 4 and 5, answer either, but not both	20
	Total 100

Learning Resources

CORE TEXTS

Connolly / International Financial Accounting and Reporting 5th ed. / CAI 2015 / ISBN-13: 978-1910374290

Elliott and Elliott, Financial Accounting and Reporting, 2017 Pearson (18th edition) ISBN-13: 978-1292162409

A new era for Irish & UK GAAP - A quick reference guide to FRS102 – Robert J. Kirk

<http://www.cpaireland.ie/docs/defaultsource/Members/Publications/a-new-era-for-irish-amp-uk-gaap---a-quick-reference-guide-to-frs102.pdf?sfvrsn=0>

MANUALS

Griffith College CPA P1 Corporate Reporting Latest edition.

SUPPLEMENTARY TEXTS AND JOURNALS

Cotter / Advanced Financial Reporting; A Complete Guide to IFRS/ 2012/ ISBN-13: 978-0273732358

A Step-by-step Approach by Paul Mahony and Niall MacLochlainn/ 2nd ed ISBN-13: 978-1908199478
Collins, McKeith / Financial Accounting and Reporting / McGraw-Hill 2013 / ISBN-13: 9780077138363

Melville / International Financial Reporting / 5th Edition / Pearson 2016 / ISBN-13: 978-1292086231

CPA Students' eBulletin

AccountancyPlus

USEFUL WEBSITES (AS AT DATE OF PUBLICATION)

www.cpaireland.ie - CPA Ireland.

www.iaasa.ie/ - Irish Auditing and Accounting Supervisory Authority.

www.ifac.org/ - The International Federation of Accountants.

www.ifrs.org/ - The International Financial Reporting Standards Foundation.

www.fasb.org - Financial Accounting Standards Board (USA).

www.iasplus.com - Deloitte Touche Tohmatsu. Summaries of International Financial Reporting Standards (IFRS).

www.frc.org.uk/ - The Financial Reporting Council.

www.frc.org.uk/About-the-FRC/FRCstructure/Audit-and-Assurance-Council.aspx, FRC - Audit and Assurance Council

www.frc.org.uk/About-the-FRC/FRCstructure/Accounting-Council.aspx, FRC Accounting Council

www.frc.org.uk/About-the-FRC/FRCstructure/Conduct-Committee.aspx, FRC-Conduct Committee

www.accountingnet.ie/ - Irish Accounting and Business Portal.