FUNDAMENTALS

Dynamic E-Learning

Delivering an Interactive IFRS Solution

1	**IFRS 5**	**Non-current Assets Held for Disposal and Discontinued Operations**	Module 1 deals with the principles in IFRS 5, Non-current Assets Held for Disposal and Discontinued Operations. The module looks at the principles for classifying an asset as Held for Sale, and the implications thereof.
2	**IAS 17**	**Leases**	Most entities have leases. Leases are a common way of financing assets where companies don't have cash available, or there are other benefits of entering into a lease as opposed to purchasing the asset outright. *But do you know the difference between the 2 types of leases in IAS 17?*
3	**IAS 8**	**Accounting policies, estimates and errors.**	Choosing an accounting policy is the starting point to preparing any set of financial statements. *But what guidance does IFRS give when choosing an accounting policy, and what if you change it? In addition, how do you deal with changes in estimates and errors?*
4	**IAS 40**	**Investment Property**	Investment properties are found on the balance sheets of many different entities, from large multinational companies to small entities. As they are generally large value assets, they can impact a balance sheet materially. *Do you know when to classify a property under IAS 40, and the implications thereof!*
5	**IAS 36**	**Impairment of Assets**	An asset is defined under IFRS as a resource: – controlled by an entity as a result of past events; and – from which future economic benefits are expected to flow to the entity.

			So what do you do when something happens that means the expected future benefits are not what you expected? This module looks at the Impairment of Assets.
6	**IAS 23**	**Borrowing Costs**	*Borrowing costs are expenses incurred by a company that HAVE to be capitalised!* *But what are borrowing costs and do you ALWAYS capitalise these?* *Surprisingly not many people know the answers… This module looks at the revised IAS 23.*
7	**IAS 38**	**Intangible Assets**	*There are 5 ways in which you can end up having to recognise an intangible asset. And once you've done that, there are more choices and considerations relating to these.* *So how is your knowledge on intangibles..? Module 7 looks at IAS 38.*
8	**IAS 18**	**Revenue Recognition**	More than just 'Sales', revenue can take many forms, from services delivered by an accounting firm to the sale of motor vehicles by a motor manufacturer. There are even passive forms of income that a company earns from others using its assets. *Do you know how to measure revenue and account for the various forms that it takes?*
9	**IAS 16**	**Property, Plant and Equipment**	All businesses need assets – it's just the extent that differs. For example, a manufacturing company will probably have more assets than a service company, but both will most likely have some assets that are subject to the accounting under IAS 16. Assets are used in various ways: – Used in business operations, for example – office computers – Used to manufacture goods for sale

			– Used to earn rental Module 9 looks at the accounting under IAS 16.
10	**IAS 2**	**Inventory**	Module 10 deals with the principles in IAS 2, Inventories. The module looks at the principles of measuring and recognising inventory in a set of IFRS accounts.
11	**IAS 1**	**Presentation of Financial Statements**	The objective of a set of financial statements is to provide information about: – the financial position, – financial performance and – cash flows of an entity that is useful to a wide range of users in making economic decisions. In this module we will look at primary statements required in a set of IFRS accounts, and the requirement to report comprehensive income.
12	**IAS 7**	**Statement of Cash Flows**	The Statement of Cash Flows is one of the primary statements required by IAS 1, *Presentation of Financial Statements,* for a complete set of IFRS accounts. The objective of this Standard is to provide users with information about the historical changes in cash and cash equivalents of an entity by means of a statement of cash flows which classifies cash flows during the period from operating, investing and financing activities. Module 12 looks at IAS 7.
13	**IAS 10**	**Events after the Balance Sheet Date**	*So what happens when an event takes place after year end, but before you publish the financial statements?* IAS 10 gives guidance on the accounting required in these circumstances. In addition, it sets out

			certain required disclosures. This module takes a look at these requirements!
14	**IAS 39**	**Financial Instruments: Recognition and measurement**	There are *3* standards that deal with financial instruments. These are: • IAS 32, *Financial Instruments: Presentation* • IAS 39, *Financial Instruments: Recognition & Measurement* • IFRS 7, *Financial Instruments: Disclosure* In this module, we will introduce you to financial instruments in IAS 39 dealing with: • Scope and Definitions in IAS 39 • Initial and subsequent measurement of financial instruments • Classification of financial assets and liabilities under IAS 39
15	**IAS 20**	**Government Grants**	Receiving something for *free* is always nice. When it's from government, it's even better. However, in most cases, there are conditions attached to the grant that need to be met. There are also various forms of government grants, and then there's also government assistance. This modules looks at the accounting set out in IAS 20.
16	**IAS 21**	**Foreign Exchange Transactions**	In this module we take a look at accounting for foreign exchange transactions. With globalisation many companies, from SME's to Multinationals, can find themselves dealing with the complexities of FOREX. Module 16 looks at IAS 21.

17	**IAS 27**	**Consolidated and Separate Financial Statements**	This module has been removed as IFRS 10 has replaced the majority of IAS 27.(see Module 43)
18	**IAS 28**	**Investments in Associates and Joint Ventures**	In this module we look at the accounting for associates and joint ventures under IAS 28. Note that you should probably do Module 44 first to understand when an item continue looking at group accounts. In last month's module we looked at *Consolidated and Separate Financial Statements*. Today, we look at accounting for associates – IAS 28.
19	**IAS 31**	**Interests in Joint Ventures**	This module has been removed as IAS 31 has been replaced by IFRS 11. (see Module 44)
20	**IAS 24**	**Related Party Disclosures**	Understanding when an entity transacts with a related party is important in assessing it's the performance. *For example, if all an entity's transactions are done with a related party at an inflated profit, the entity would appear to be more profitable than it really is!* IAS 24 sets out the disclosures required when an entity transacts with a related party.
21	**IAS 32**	**Financial Instruments: Presentation**	Financial instruments can be classified as Assets, Liabilities or Equity. One of the most important issues is whether an item is classified as a liability or equity as this impacts the company's gearing ratios. Module 21 looks at applying the definitions in IAS 32.
22	**IAS 37**	**Provisions, Contingent Liabilities and Contingent Assets**	A liability is defined as "*a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.*" But how do you account for liabilities where there is some uncertainty? IAS 37 gives guidance on

			provisions and contingent liabilities. We will also look at the recognition of assets where there is uncertainty.
23	**IFRS 2**	**Share-based Payments (Part I)**	A Share-based Payment is a transaction where an entity *receives goods or services* and settles the transaction through • The issuance of its own equity instruments • Incurring liabilities (to the supplier) whose value is based on the price of the entity's shares Module 23 looks at the first type of accounting for share-based payments: Equity Settled.
24	**IFRS 2**	**Share-based Payments (Part II)**	Module 23 continues looking at share-based payment accounting, and looks at cash-settled schemes; and schemes where there are cash alternative options.
25	**IAS 19**	**Employee Benefits**	This module looks at the different employee benefits and how they are accounted for under IFRS.
26	**IFRS 3**	**Business Combinations**	Module 26 looks at what constitutes a business combination, and the required accounting for business combinations.
27	**IFRS 7**	**Financial Instruments: Disclosure**	Financial Instrument disclosure is an important part of the preparation of IFRS compliant statements. IFRS 7 requires detailed disclosures around the risks associated with financial instruments.
28	**IAS 12**	**Income Taxes**	Taxation is a part of operating in most countries around the world. IAS 12 looks at the accounting for both current and deferred tax under IFRS.
29	**IFRS 8**	**Operating Segments**	IFRS 8 was issued to replace IAS 14. The standard details the new requirements for segment reporting, and introduces a new approach for such reporting.

30	**IAS 33**	**Earnings per share**	Reporting earnings is important for any company. Module 30 looks at reporting earnings per share and diluted earnings per share under IAS 33.
31	**IAS 34**	**Interim Financial Reporting**	This module looks at the requirements for preparing Interim Financial Reports, and the differences from normal AFS.
32	**IAS 41**	**Agriculture**	Module 32 addresses the accounting for entity's with agricultural activity. The module looks at the recognition and measurement requirements for biological and agricultural produce.
33	**IAS 11**	**Construction Contracts**	Construction contracts are those for the construction of a specific asset or assets. Module 33 looks at the requirements in accounting for these types of contracts.
34	**IAS 29**	**Hyperinflation Reporting**	Hyperinflation accounting is not common, but when it arises, materially impacts the reliability and relevance of financial statements. IAS 29 provides guidance on making these accounts compliant with IFRS.
35	**IAS 39**	**Financial Instruments: Hedging**	This is the second module on IAS 39 looking at the 3 types of hedge accounting available under IFRS. Whereas this is a complex area of IFRS accounting, the module will give you an understanding of the differences in these forms of hedging.
36	**IFRS 1**	**First-time Adoption**	The last of the core standards deals with the first-time adoption of IFRS. It includes a discussion of the mandatory and optional exemptions that exist within the standard.
37	**IFRIC 19**	**Extinguishing Financial Liabilities with Equity Instruments**	In this module we look at one of the IFRIC interpretations dealing with the extinguishing of financial liabilities with equity instruments. IFRIC 19 was issued to address the accounting by the borrower in a debt equity swap. Enjoy!
38	**IFRIC 17**	**Distributions of Non-cash**	In this module we look at IFRIC 17 which deals with the accounting for distributions of non-cash

		Assets to Owners	assets. The interpretation gives guidance for the company making such distributions.
39	**IFRIC 13**	**Customer Loyalty Programmes**	Module 39 looks at the accounting for Customer Loyalty Programmes. From large multinationals, to local car washes, customer loyalty programmes are becoming more and more common. IFRIC 13 details the accounting for such programmes.
40	**IFRIC 15**	**Agreements for the Construction of Real Estate**	Module 40 deals with the accounting in IFRIC 15. This interpretation looks at the accounting for construction contracts, and whether these should be accounted for under IAS 11, Construction Contracts; or IAS 18, Revenue. The consensus in this interpretation resulted in some radical changes in the accounting by entities involved in construction.
41	**IFRIC 12**	**Service Concession Arrangements**	Module 41 looks at the accounting for Service Concession Arrangements. These have become very common as governments look to include the private sector in service delivery projects. As a result the IFRIC issues IFRIC 12 to provide guidance for the operator of such assets.
42	**IFRIC 18**	**Transfers of Assets from Customers**	Module 42 deals with IFRIC 18. IFRIC 18 clarifies the accounting for agreements where an entity receives an item of property, plant & equipment, or cash to construct such an asset, from a customer.
43	**IFRS 10**	**Consolidated Financial Statements**	Module 43 looks at the new standard on consolidations, IFRS 10. This standard replaces the requirements in IAS 27 dealing with the new definition of control.
44	**IFRS 11**	**Joint Arrangements**	In module 44 we look at IFRS 11 on Joint Arrangements. IFRS 11 replaces IAS 31, Joint Ventures, for years beginning on or after 1 January 2013 and gives new accounting treatment for such arrangements.

45	**IFRS 12**	**Disclosure of Interests in Other Entities**	Module 45 looks at the disclosures an entity must make of their interests in other entities. This was issued as part of the set of standards looking at group accounts (IFRS 10, 11 and 12). We would recommend you first do modules 43 and 44 before looking at module 45.
46	**IFRIC 10**	**Interim Financial Reporting and Impairment**	Module 46 looks at the requirements of IFRIC 10. IFRIC 10 addresses the reporting of certain impairments in interim periods, and when and how these can be reversed. If you haven't done module 34 covering the requirements for preparing interim financial reports, we suggest you first take a look at that module.
47	**IFRS 13**	**Fair Value Measurement**	Module 47 looks at fair value measurement under IFRS 13. This is a complex topic which will generally require the use of a specialist. In this module we give you the fundamentals of the standard to assist you with your understanding of this new IFRS. Enjoy the learning!
48	**Intro to IFRS for SMEs**	**IFRS for SMEs**	Module 48 introduces you to the IFRS for SMEs standard. The module also looks at who can apply this standard. Enjoy the learning!