



FINANCIAL ACCOUNTING (FA/FFA)

# Syllabus and study guide

SEPTEMBER 2024 TO AUGUST 2025

Designed to help with planning study and to  
provide detailed information on what could be  
assessed in any examination session



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## 1. Overall aim of the syllabus

The overall aim of the syllabus is to develop knowledge and understanding of the underlying principles and concepts relating to financial accounting and technical proficiency in the use of double-entry bookkeeping, including the preparation of basic financial statements.

## 2. Introduction to the syllabus

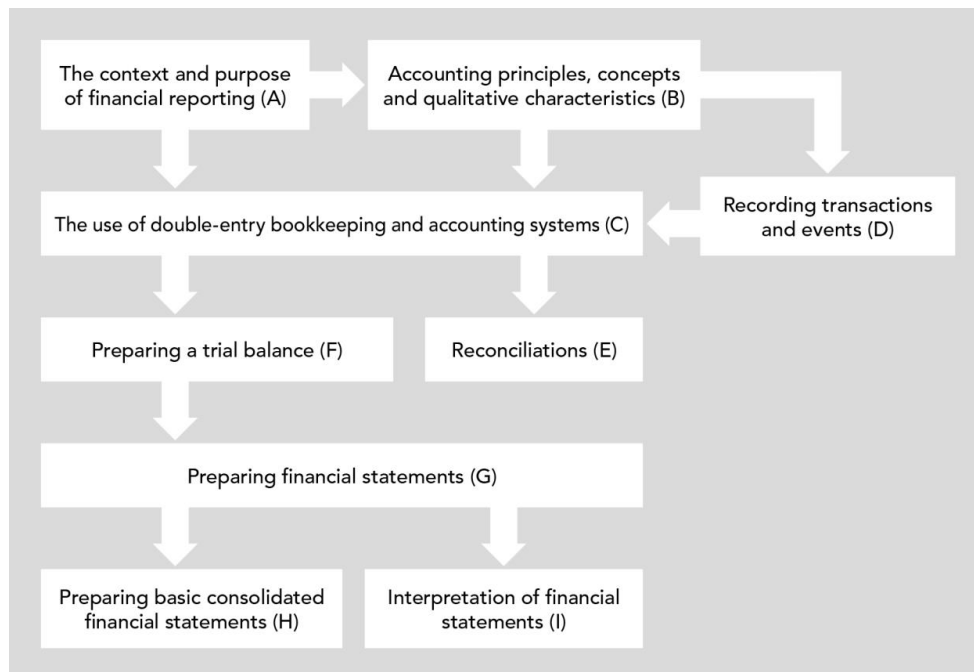
The syllabus for Financial Accounting (FA/FFA) introduces the candidate to the fundamentals of the regulatory framework relating to accounts preparation and to the qualitative characteristics of useful financial information. The syllabus then covers the principles of accounts preparation, including an in-depth look at recording, processing, and reporting business transactions and events. The syllabus also covers reconciliations, preparation of a trial balance, error correction and suspense accounts, all of which will lead to the preparation of financial statements for incorporated and unincorporated entities. The syllabus then moves in two directions, firstly requiring the preparation of basic consolidated financial statements from the individual financial statements of entities within a group; and secondly requiring candidates to be able to conduct a basic interpretation of financial statements.

### 3. Main capabilities

On successful completion of this examination, candidates should be able to:

- A Explain the context and purpose of financial reporting
- B Define the accounting principles, concepts and qualitative characteristics of useful financial information
- C Demonstrate the use of double-entry bookkeeping and accounting systems
- D Record transactions and events
- E Perform reconciliations
- F Prepare a trial balance
- G Prepare financial statements
- H Prepare basic consolidated financial statements
- I Interpret financial statements

**Relational diagram of main capabilities:**



### 4. Intellectual levels

ACCA qualifications are designed to progressively broaden and deepen the knowledge and skills demonstrated by the student at a range of levels on their way through each qualification.

Throughout, the study guides assess both knowledge and skills. Therefore, a clear distinction is drawn, within each subject area, between assessing knowledge and skills and in assessing their application within an accounting or business context. The assessment of knowledge is denoted by a superscript <sup>K</sup> and the assessment of skills is denoted by the superscript <sup>S</sup>.

## 5. The syllabus

### A The context and purpose of financial reporting

1. The scope and purpose of financial statements for external reporting
2. Stakeholders' needs
3. The main elements of financial reports
4. The regulatory framework
5. Duties and responsibilities of those charged with governance

### B Accounting principles, concepts and qualitative characteristics

1. The qualitative characteristics of financial information
2. Qualitative characteristics of useful financial information

### C The use of double-entry bookkeeping and accounting systems

1. Double-entry bookkeeping principles including the maintenance of accounting records
2. General ledger accounts and journal entries

### D Recording transactions and events

1. Sales and purchases
2. Cash
3. Inventories
4. Tangible non-current assets
5. Depreciation
6. Intangible non-current assets and amortisation

7. Accruals expenses (accruals), prepaid expenses (prepayments), accrued income, and deferred income

8. Receivables and payables

9. Provisions and contingencies

10. Capital structure and finance costs

### E Reconciliations

1. Bank reconciliations
2. Trade payables account reconciliations

### F Preparing a trial balance

1. Trial balance
2. Correction of errors
3. Suspense accounts

### G Preparing financial statements

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

### H Preparing basic consolidated financial statements

1. Subsidiaries
2. Associates

### I Interpretation of financial statements

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

## 6. Detailed study guide

### A The context and purpose of financial reporting

#### 1. The context and purpose of financial statements for external reporting

- a) Define financial reporting: recording, analysing and summarising financial data.<sup>[K]</sup>
- b) Identify and define types of business entity: sole trader, partnership, limited liability company.<sup>[K]</sup>
- c) Explain the legal differences between a sole trader, partnership and a limited liability company.<sup>[K]</sup>
- d) Identify the advantages and disadvantages of operating as a sole trader, partnership or limited liability company.<sup>[K]</sup>
- e) Define the nature, principles and scope of financial reporting.<sup>[K]</sup>

#### 2. Stakeholders' needs

- a) Identify the users of financial statements and state and differentiate between their information needs.<sup>[K]</sup>

#### 3. The main elements of financial statements

- a) Describe the purpose of each of the financial statements:<sup>[K]</sup>
  - i) Statement of financial position
  - ii) Statement of profit or loss and other comprehensive income
  - iii) Statement of changes in equity
  - iv) Statement of cash flows
- b) Identify and define assets, liabilities, equity, income and expenses.<sup>[K]</sup>

### 4. The regulatory framework

- a) Explain the purpose and objectives of the regulatory system, including the roles of the:<sup>[K]</sup>
  - i) IFRS Foundation<sup>®</sup>
  - ii) International Accounting Standards Board (IASB<sup>®</sup>)
  - iii) IFRS<sup>®</sup> Advisory Council
  - iv) IFRS Interpretations Committee (IFRIC<sup>®</sup>)
  - v) International Sustainability Standards Board (ISSB<sup>™</sup>)
- b) Explain the role of IFRS<sup>®</sup> Accounting Standards in preparing financial statements.<sup>[K]</sup>

### 5. Duties and responsibilities of those charged with governance

- a) Explain what is meant by governance, specifically in the context of the preparation of financial statements.<sup>[K]</sup>
- b) Describe the duties and responsibilities of directors in the preparation of the financial statements.<sup>[K]</sup>

## B Accounting principles, concepts and qualitative characteristics

### 1. Key principles and concepts of accounting

- a) Define and apply key principles and concepts of accounting:<sup>[K]</sup>
  - i) Going concern
  - ii) Accrual accounting
  - iii) Materiality
  - iv) Offsetting
  - v) Consistency
  - vi) Prudence
  - vii) Duality
  - viii) Business entity
  - ix) Historical cost and current value
  - x) Substance over form

## 2. Qualitative characteristics of useful financial information

- a) Define and apply the qualitative characteristics of useful financial information:<sup>[K]</sup>
  - i) Relevance
  - ii) Faithful representation
  - iii) Comparability
  - iv) Verifiability
  - v) Timeliness
  - vi) Understandability

## C The use of double-entry bookkeeping and accounting systems

### 1. Double-entry bookkeeping principles including the maintenance of accounting records

- a) Identify and explain the function of the main data sources in an accounting system.<sup>[K]</sup>
- b) Summarise the contents and purpose of different types of business documentation, including:<sup>[K]</sup>
  - i) Quotation
  - ii) Sales order
  - iii) Purchase order
  - iv) Goods received note
  - v) Goods despatched note
  - vi) Sales invoice
  - vii) Supplier (purchase) invoice
  - viii) Supplier statement
  - ix) Credit note
  - x) Debit note
  - xi) Remittance advice
  - xii) Receipt
- c) Explain and apply the accounting equation.<sup>[S]</sup>
- d) Describe the key features of a computerised accounting system, including the use of external servers to store data (the cloud).<sup>[K]</sup>

- e) Describe how an accounting system contributes to providing useful accounting information and complies with organisational policies and deadlines.<sup>[K]</sup>

- f) Identify the main types of business transactions, for example, sales, purchases, payments, receipts.<sup>[K]</sup>

## 2. General ledger accounts and journal entries

- a) Describe the main types of general ledger accounts, including their nature and function.<sup>[K]</sup>

- b) Describe how financial data is initially recorded in the accounting system.<sup>[K]</sup>

- c) Explain the use of journal entries and how journal entries are processed to general ledger accounts.<sup>[S]</sup>

- d) Identify correct journal entries from given narrative.<sup>[S]</sup>

- e) Illustrate how to balance and close the general ledger accounts at the year end.<sup>[S]</sup>

## D Recording transactions and events

### 1. Sales and purchases

- a) Record sale and purchase transactions in the general ledger accounts.<sup>[S]</sup>

- b) Record sales returns and purchase returns in the general ledger accounts.<sup>[S]</sup>

- c) Describe the principles of the operation of a sales tax.<sup>[K]</sup>

- d) Calculate sales tax on transactions and record it in the sales tax general ledger account.<sup>[S]</sup>

- e) Account for discounts received.<sup>[S]</sup>

- f) Account for the following discounts allowed to customers in accordance with IFRS® Accounting Standards:<sup>[S]</sup>
  - i) trade discounts
  - ii) settlement discounts.

## 2. Cash

- a) Record cash transactions in the bank general ledger account.<sup>[S]</sup>
- b) Describe the need for a record of petty cash transactions.<sup>[K]</sup>

## 3. Inventories

- a) Describe the need for adjustments to inventories in preparing financial statements.<sup>[K]</sup>
- b) Record cost of sales and closing inventories.<sup>[S]</sup>
- c) Apply the requirements of IAS 2 *Inventories* for valuing inventories.<sup>[S]</sup>
- d) Identify which costs should be included in valuing inventories.<sup>[S]</sup>
- e) Explain the use of continuous and period-end inventories records.<sup>[K]</sup>
- f) Calculate the value of closing inventories using 'FIFO' (first in, first out) and 'AVCO' (average cost) – both periodic weighted average and continuous weighted average.<sup>[S]</sup>
- g) Identify the impact of inventory valuation methods on profit and on assets.<sup>[S]</sup>

## 4. Tangible non-current assets

- a) Define non-current assets.<sup>[K]</sup>
- b) Compare the difference between current and non-current assets.<sup>[K]</sup>
- c) Explain the difference between asset (capitalised) and expense items.<sup>[K]</sup>

- d) Classify expenditure as asset expenditure or expenses charged to profit or loss.<sup>[S]</sup>
- e) Record the acquisition and disposal of tangible non-current assets in the general ledger accounts in accordance with IFRS® Accounting Standards.<sup>[S]</sup>
- f) Calculate and record gains or losses on disposal of tangible non-current assets in the statement of profit or loss, including part exchange transactions.<sup>[S]</sup>
- g) Record the revaluation of a tangible non-current asset in the general ledger accounts and illustrate how it is presented in the statement of profit or loss and other comprehensive income and in the statement of financial position.<sup>[S]</sup>
- h) Calculate the gain or loss on disposal of a revalued tangible non-current asset.<sup>[S]</sup>
- i) Illustrate how tangible non-current asset balances and movements are disclosed in financial statements.<sup>[S]</sup>
- j) Explain the purpose and function of a non-current asset register.<sup>[K]</sup>

## 5. Depreciation

- a) Explain the purpose of depreciation.<sup>[K]</sup>
- b) Calculate the charge for depreciation using straight-line and diminishing-balance (reducing-balance) methods.<sup>[S]</sup>
- c) Identify the circumstances where different methods of depreciation would be appropriate.<sup>[K]</sup>
- d) Illustrate how the depreciation charge and accumulated depreciation are recorded in the general ledger accounts.<sup>[S]</sup>

- e) Calculate and update the general ledger accounts to record the depreciation on a revalued tangible non-current asset, including the transfer of excess depreciation between the revaluation surplus and retained earnings.<sup>[S]</sup>
- f) Calculate the adjustments to depreciation necessary if changes are made in the estimated useful life and/ or residual value of a tangible non-current asset.<sup>[S]</sup>
- g) Record depreciation in the statement of profit or loss and statement of financial position.<sup>[S]</sup>
- 6. Intangible non-current assets and amortisation**
- a) Compare the difference between tangible and intangible non-current assets.<sup>[K]</sup>
- b) Identify types of intangible assets.<sup>[K]</sup>
- c) Identify the definition and treatment of 'research' and 'development' in accordance with IFRS<sup>®</sup> Accounting Standards.<sup>[K]</sup>
- d) Calculate and account for amounts to be capitalised as development expenditure or to be recognised as an expense from given information.<sup>[S]</sup>
- e) Explain the purpose of amortisation.<sup>[K]</sup>
- f) Calculate and account for amortisation.<sup>[S]</sup>
- 7. Accrued expenses (accruals), prepaid expenses (prepayments), accrued income, and deferred income**
- a) Apply accrual accounting to accruals, prepayments, accrued income and deferred income.<sup>[S]</sup>
- b) Calculate the adjustments needed for accruals, prepayments, accrued income and deferred income when preparing financial statements.<sup>[S]</sup>
- c) Illustrate the process of adjusting for accruals, prepayments, accrued income and deferred income when preparing financial statements.<sup>[S]</sup>
- d) Prepare manual journal entries and update the general ledger accounts for the creation and reversal of accruals, prepayments, accrued income and deferred income.<sup>[S]</sup>
- e) Identify the impact of accruals, prepayments, accrued income and deferred income on profit and net assets.<sup>[S]</sup>
- f) Report accruals, prepayments, accrued income and deferred income in the financial statements.<sup>[S]</sup>
- 8. Receivables and payables**
- a) Identify and explain examples of receivables and payables.<sup>[K]</sup>
- b) Identify the benefits and costs of offering credit facilities to customers.<sup>[K]</sup>
- c) Describe the purpose of an aged receivables analysis.<sup>[K]</sup>
- d) Describe the purpose of customer credit limits.<sup>[K]</sup>
- e) Prepare manual journal entries to write off an irrecoverable debt.<sup>[S]</sup>
- f) Prepare manual journal entries to recognise an irrecoverable debt that is subsequently recovered.<sup>[S]</sup>
- g) Demonstrate the impact of irrecoverable debts on the statement of profit or loss and on the statement of financial position.<sup>[S]</sup>

- h) Prepare manual journal entries to create and adjust an allowance for irrecoverable debts.<sup>[S]</sup>
- i) Illustrate how to include movements in the allowance for irrecoverable debts in the statement of profit or loss and how the closing balance of the allowance should appear in the statement of financial position.<sup>[S]</sup>
- j) Account for contras between trade receivables and trade payables.<sup>[S]</sup>
- k) Prepare, reconcile and explain the purpose of supplier statements.<sup>[S]</sup>
- c) Identify and record the other components of equity which may appear in the statement of financial position.<sup>[S]</sup>
- d) Record movements in the share capital and share premium accounts.<sup>[S]</sup>
- e) Define a bonus (capitalisation) issue and its advantages and disadvantages.<sup>[K]</sup>
- f) Define a rights issue and its advantages and disadvantages.<sup>[K]</sup>
- g) Calculate and record a bonus (capitalisation) issue in the statement of financial position.<sup>[S]</sup>

## 9. Provisions and contingencies

- a) Define “provision”, “contingent liability” and “contingent asset” in accordance with IFRS® Accounting Standards.<sup>[K]</sup>
- b) Distinguish between and classify items as provisions, contingent liabilities or contingent assets.<sup>[S]</sup>
- c) Illustrate the different methods of accounting for provisions, contingent liabilities and contingent assets.<sup>[K]</sup>
- d) Calculate provisions and changes in provisions.<sup>[S]</sup>
- e) Prepare manual journal entries for the movement in provisions.<sup>[S]</sup>
- f) Report provisions in the financial statements.<sup>[S]</sup>
- h) Calculate and record a rights issue in the statement of financial position.<sup>[S]</sup>
- i) Calculate and record dividends in the general ledger accounts and the financial statements.<sup>[S]</sup>
- j) Calculate and record finance costs in the general ledger accounts and the financial statements.<sup>[S]</sup>
- k) Identify the components of the statement of changes in equity.<sup>[K]</sup>

## 10. Capital structure and finance costs

- a) Describe the capital structure of a limited liability company including:<sup>[K]</sup>
  - i) Ordinary shares
  - ii) Preference shares (redeemable and irredeemable)
  - iii) Borrowings
- b) Describe the nature of equity, including retained earnings and other components of equity.<sup>[K]</sup>
- 1. Bank reconciliations
  - a) Explain the purpose of bank reconciliations.<sup>[K]</sup>
  - b) Identify the main reasons for differences between the bank general ledger account and the bank statement/ internet banking records.<sup>[K]</sup>
  - c) Identify and correct errors and/or omissions in the bank general ledger account.<sup>[S]</sup>
  - d) Prepare the reconciliation of the bank general ledger account to the bank statement/ internet banking records.<sup>[S]</sup>

- e) Derive bank statement and bank general ledger account balances from given information.<sup>[S]</sup>
- f) Identify the bank balance to be reported in the financial statements.<sup>[S]</sup>
- b) Identify errors which would be highlighted by the extraction of a trial balance and those which would not.<sup>[K]</sup>
- c) Prepare manual journal entries to correct errors.<sup>[S]</sup>

## 2. Trade payables account reconciliations

- a) Explain the purpose of the trade payables general ledger account and how it relates to double-entry bookkeeping.<sup>[K]</sup>
- b) Explain the purpose of reconciling the trade payables general ledger account to external documents.<sup>[K]</sup>
- c) Prepare a reconciliation of the trade payables general ledger account to supplier statements.<sup>[S]</sup>
- d) Identify and correct errors which would be highlighted by performing a reconciliation of the trade payables general ledger account.<sup>[K]</sup>
- e) Identify the trade payables balance to be reported in the financial statements.<sup>[S]</sup>
- d) Calculate the impact of errors on the statement of profit or loss and other comprehensive income and the statement of financial position.<sup>[S]</sup>

## 3. Suspense accounts

- a) Explain the purpose of a suspense account.<sup>[K]</sup>
- b) Identify errors leading to the creation of a suspense account.<sup>[K]</sup>
- c) Record entries in a suspense account.<sup>[S]</sup>
- d) Prepare journal entries to clear a suspense account.<sup>[S]</sup>

## G Preparing financial statements

### 1. Statement of financial position

- a) Explain how the accounting equation, IFRS<sup>®</sup> Accounting Standards and the business entity concept underlie the statement of financial position.<sup>[K]</sup>
- b) Prepare a statement of financial position or extracts as applicable.<sup>[S]</sup>

### 2. Statement of profit or loss and other comprehensive income

- a) Calculate revenue, cost of sales, gross profit, operating profit, profit before tax, profit for the year, and total comprehensive income from given information.<sup>[S]</sup>
- b) Prepare a statement of profit or loss and other comprehensive income or extracts as applicable.<sup>[S]</sup>

## F Preparing a trial balance

### 1. Trial balance

- a) Describe the purpose of a trial balance.<sup>[K]</sup>
- b) Extract general ledger balances into a trial balance.<sup>[S]</sup>
- c) Prepare extracts of an opening trial balance.<sup>[S]</sup>
- d) Explain the limitations of a trial balance.<sup>[K]</sup>

### 2. Correction of errors

- a) Identify the types of error which may occur in accounting systems.<sup>[K]</sup>

- c) Record the income tax expense in the statement of profit or loss, including the under-/ over-provision of tax in the prior year.<sup>[S]</sup>
  - d) Identify items requiring separate disclosure on the face of the statement of profit or loss.<sup>[K]</sup>
  - e) Explain the interrelationship between the statement of financial position and the statement of profit or loss and other comprehensive income.<sup>[K]</sup>
- d) Classify the effect of transactions on cash flows.<sup>[S]</sup>
  - e) Calculate the figures needed for the statement of cash flows in accordance with IFRS<sup>®</sup> Accounting Standards, including:<sup>[S]</sup>
    - i) Cash flows from operating activities (direct and indirect methods for cash generated from operations)
    - ii) Cash flows from investing activities
    - iii) Cash flows from financing activities

### 3. Disclosure notes

- a) Explain the purpose of notes to the financial statements (disclosure notes).<sup>[K]</sup>
  - b) Draft the following disclosure notes:<sup>[S]</sup>
    - i) Non-current assets, including tangible and intangible assets
    - ii) Provisions
    - iii) Events after the reporting period
    - iv) Inventories
- f) Prepare a statement of cash flows or extracts as applicable.<sup>[S]</sup>
  - g) Identify the treatment of given transactions in a statement of cash flows.<sup>[K]</sup>

### 4. Events after the reporting period

- a) Define an event after the reporting period in accordance with IFRS<sup>®</sup> Accounting Standards.<sup>[K]</sup>
- b) Classify events as adjusting or non-adjusting.<sup>[S]</sup>
- c) Distinguish between how adjusting and non-adjusting events are reported in the financial statements.<sup>[K]</sup>

### 5. Statement of cash flows (excluding partnerships)

- a) Differentiate between profit and cash flow.<sup>[K]</sup>
- b) Describe the need for management to control cash flow.<sup>[K]</sup>
- c) Explain the benefits and drawbacks to users of the financial statements of a statement of cash flows.<sup>[K]</sup>

### 6. Incomplete records

- a) Apply techniques used in incomplete record situations:<sup>[S]</sup>
  - i) Use of accounting equation
  - ii) Use of general ledger accounts to calculate missing figures
  - iii) Use of cash and/ or bank summaries
  - iv) Use of profit percentages to calculate missing figures.

## H Preparing basic consolidated financial statements

### 1. Subsidiaries

- a) Define and describe the following terms in the context of group accounting:<sup>[K]</sup>
  - i) Parent
  - ii) Subsidiary
  - iii) Control
  - iv) Consolidated (group) financial statements
  - v) Non-controlling interests
  - vi) Trade (simple) investment
- b) Identify subsidiaries within a group structure.<sup>[K]</sup>

- c) Describe the components of and prepare a consolidated statement of financial position or extracts thereof, including:<sup>[S]</sup>
- i) Fair value adjustments at acquisition on property, plant and equipment (excluding depreciation adjustments)
  - ii) Fair value of consideration transferred from cash and shares (excluding deferred and contingent consideration)
  - iii) Elimination of intra-group trading balances (excluding assets in transit)
  - iv) Removal of unrealised profit arising on intra-group trading
  - v) Acquisition of subsidiaries part way through the financial year

- d) Calculate goodwill (excluding impairment of goodwill) where non-controlling interest is valued at its fair value at the acquisition date as follows:<sup>[S]</sup>

Fair value of consideration	X
Fair value of non-controlling interests	X
Less fair value of net assets at acquisition	<u>(X)</u>
Goodwill at acquisition	<u>X</u>

- e) Describe the components of and prepare a consolidated statement of profit or loss or extracts thereof including:<sup>[S]</sup>
- i) Elimination of intra-group trading balances (excluding assets in transit)
  - ii) Removal of unrealised profit arising on intra-group trading
  - iii) Acquisition of subsidiaries part way through the financial year

## 2. Associates

- a) Define and identify an associate and significant influence and identify the situations where significant influence exists.<sup>[K]</sup>

- b) Describe the key features of a parent-associate relationship and be able to identify an associate within a group structure.<sup>[K]</sup>
- c) Describe the principle of the equity method of accounting for associate entities.<sup>[K]</sup>

## I Interpretation of financial statements

### 1. Importance and purpose of analysis of financial statements

- a) Describe how the interpretation and analysis of financial statements is used in a business environment.<sup>[K]</sup>
- b) Explain the purpose of interpretation of ratios.<sup>[K]</sup>

### 2. Ratios

- a) Calculate key accounting ratios related to:<sup>[S]</sup>
- i) Profitability
  - ii) Liquidity
  - iii) Efficiency
  - iv) Position
- b) Explain the interrelationships between ratios.<sup>[K]</sup>

### 3. Analysis of financial statements

- a) Calculate and interpret the relationship between the elements of the financial statements regarding profitability, liquidity, efficient use of resources and financial position.<sup>[S]</sup>
- b) Draw valid conclusions from the information contained within the financial statements and present these to the appropriate user of the financial statements.<sup>[S]</sup>

## 7. Summary of changes to Financial Accounting (FA/ FFA)

ACCA periodically reviews its qualification syllabuses so that they fully meet the needs of stakeholders including employers, students, regulatory and advisory bodies and learning providers. Due to the changes made to the 2024/25 study guide from the 2023/24 study guide, a guide has been prepared overleaf.

Grammatical and structural changes have been made to the syllabus but this has no impact on the knowledge required for meeting learning outcomes.

Removed specific IAS/ IFRS and replaced with “IFRS® Accounting Standards” for consistency with Financial Accounting, Financial Reporting and Strategic Business Reporting. Specific IAS/ IFRS are included in the Examinable Documents.

The key is as follows:

<b>Syllabus title</b> <b>Detailed study</b> <b>guide</b> Learning outcome	The learning outcome is new for 2023/24
<b>Syllabus title</b> <b>Detailed study</b> <b>guide</b> Learning outcome	The 2023/24 learning outcome has not been changed significantly for 2024/25, although changes may have been made to the wording

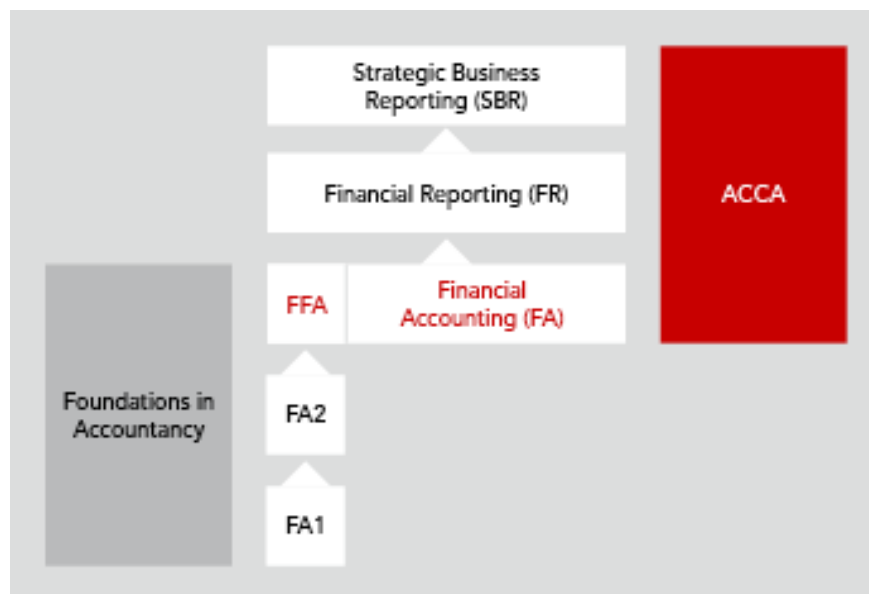
2024/25 SLO	Summary of changes
A4 a)	<p>Although, strictly, this is not a new learning outcome, ACCA has expanded this slightly to “Explain the purpose <b>and objectives</b> of the regulatory system, including the roles of the ...”.</p> <p>The inclusion of ‘objectives’ allows ACCA to examine the objectives of the ISSB™ and to compare to those of the IASB® and its IFRS® Accounting Standards. The importance of sustainability in financial reporting will be expanded further in Financial Reporting (FR) at the Applied Skills (AS) level.</p> <p>The four objectives, included in a useful summary of the ISSB™, are included <b>here</b>.</p>
B1 a) ii)	Changed “Accrual basis” to “Accrual accounting”
B1 a) iii)	Changed “Materiality and aggregation” to “Materiality”
B1 a) vii)	Changed “Duality (dual aspect)” to “Duality”
<b>C</b>	Changed “double-entry” to “double-entry bookkeeping”
C2 c)	Changed “posted into” to “processed in”
D1 d)	Changed “record the consequent accounting entries” to “record it in the sales tax general ledger account”
D3 b)	Changed “opening and closing inventories” to “cost of sales and closing inventories”
D4 c)	Changed “asset and expense” to “asset (capitalised) and expense”
D5 d)	Changed “depreciation expense” to “depreciation charge”
D7 a)	Changed “Apply the accrual basis of accounting” to “Apply accrual accounting”
D7 d)	Changed “Prepare journal entries” to “Prepare manual journal entries”
D8 e)	Changed “Prepare the journal entries” to “Prepare manual journal entries”
D8 f)	Changed “Record an irrecoverable debt recovered” to “Prepare manual journal entries to recognise an irrecoverable debt that is subsequently recovered”
D8 h)	Changed “Prepare the journal entries to create and adjust an allowance for receivables” to “Prepare manual journal entries to create and adjust an allowance for irrecoverable debts”
D9 e)	Changed “Account” to “Prepare manual journal entries”
E2 a)	Changed “the double-entry system” to “double-entry bookkeeping”
F2 c)	Changed “Prepare journal entries” to “Prepare manual journal entries”
G2 a)	Changed “profit from operations” to “operating profit” and “profit before taxation” to “profit before tax”
G2 c)	Changed “Record income tax in the statement of profit or loss, including the under and overprovision of tax in the prior year” to “Record the income tax expense in the statement of profit or loss, including the under-/ and over-provision of tax in the prior year”
G5 e i)	Changed “direct and indirect methods” to “direct and indirect methods for cash generated from operations”
H1 c) iii)	Changed “cash and goods in transit” to “assets in transit”
H1 e i)	Changed “cash and goods in transit” to “assets in transit”

## 8. Approach to examining the syllabus

The syllabus is assessed by a two-hour computer-based examination. Questions will assess all parts of the syllabus and will test knowledge and some comprehension or application of this knowledge. The examination will consist of two sections. Section A will contain 35 two-mark objective test questions. Section B will contain two 15-mark multi-task questions. These will test consolidations and accounts preparation. The consolidation question could include a small amount of interpretation and the accounts preparation question could be set in the context of a sole trader or a limited company.

## 9. Relational diagram linking Financial Accounting (FA/FFA) with other exams

The FIA suite of qualifications is designed so that a student can progress through three discrete levels: RQF Level 2, 3, and 4. Students are recommended to enter FIA at the level which is most appropriate to their needs and to take examinations in order but this is not a mandatory requirement.



## 10. Guide to ACCA examination structure and delivery mode

The structure of examinations varies.

The Foundations in Accountancy (FIA) examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus.

All FIA examinations are assessed by two-hour computer-based examinations.

The pass mark for all FIA examinations is 50%.

## 11. Guide to ACCA examination assessment

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified. For specified financial accounting, audit and tax examinations, except where indicated otherwise, ACCA will publish examinable documents once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions.

For this examination, regulation issued or legislation passed on or before 31 August annually, will be assessed from 1 September of the following year to 31 August of the year after. Please refer to the examinable documents for the exam (where relevant) for further information.

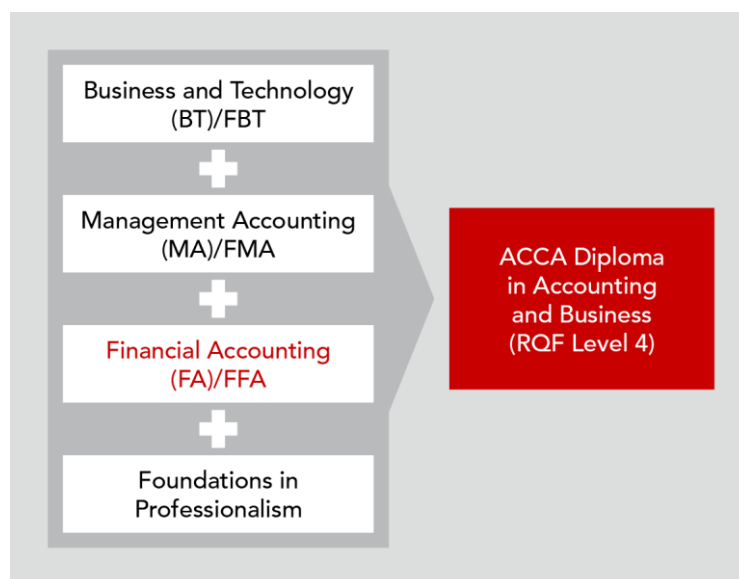
Regulation issued or legislation passed in accordance with the above dates may be examinable even if the effective date is in the future. The terms 'issued' or 'passed' relate to when regulation or legislation has been formally approved.

The term 'effective' relates to when regulation or legislation must be applied to entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list.

## 12. Qualification structure

The qualification structure requires candidates who wish to be awarded the ACCA Diploma in Accounting and Business (RQF Level 4) to pass the Business and Technology (BT)/FBT, Management Accounting (MA)/FMA and the Financial Accounting (FA)/FFA examinations and successfully complete the Foundations in Professionalism (FiP) module.



## 13. Learning hours and education recognition

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognised and valued by governments and regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognised on the educational frameworks in several countries. Please refer to your national education framework regulator for further information about recognition.

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