

# Examinable Documents December 2014 and June 2015

## FINANCIAL REPORTING

The examinable documents below are applicable to the International and UK papers as indicated at the start of each table.

**NOTE:** As from the December 2014 sitting, there will no longer be a UK adapted version of paper F7.

Knowledge of new examinable regulations issued by 31st August will be required in examination

sessions being held in the following exam year. Documents may be examinable even if the *effective* date is in the future.

The documents listed as being examinable are the latest that were *issued* prior to 31st August 2013 and will be examinable in December 2014 and June 2015 examination sessions.

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

	Title	F7	P2 INT and UK
	<b>International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs)</b>		
IAS 1	Presentation of Financial Statements	✓	✓
IAS 2	Inventories	✓	✓
IAS 7	Statement of Cash Flows	✓	✓
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	✓	✓
IAS 10	Events after the Reporting Period	✓	✓
IAS 11	Construction Contracts	✓	
IAS 12	Income Taxes	✓	✓
IAS 16	Property, Plant and Equipment	✓	✓
IAS 17	Leases	✓	✓
IAS 18	Revenue	✓	✓
IAS 19	Employee Benefits		✓
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	✓	✓
IAS 21	The Effects of Changes in Foreign Exchange Rates		✓
IAS 23	Borrowing Costs	✓	✓
IAS 24	Related Party Disclosures		✓
IAS 27	Separate Financial Statements	✓	✓
IAS 28	Investments in Associates and Joint Ventures	✓	✓
IAS 32	Financial Instruments: Presentation	✓	✓
IAS 33	Earnings per Share	✓	✓
IAS 34	Interim Financial Reporting		✓
IAS 36	Impairment of Assets	✓	✓
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	✓	✓
IAS 38	Intangible Assets	✓	✓
IAS 39	Financial Instruments: Recognition and Measurement	✓	✓
IAS 40	Investment Property	✓	✓
IAS 41	Agriculture	✓	✓

IFRS 1	First-time Adoption of International Financial Reporting Standards		✓
IFRS 2	Share-based Payment		✓
IFRS 3 (revised)	Business Combinations	✓	✓
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations	✓	✓
IFRS 7	Financial Instruments: Disclosures	✓	✓
IFRS 8	Operating Segments		✓
IFRS 9	Financial Instruments	✓	✓
IFRS 10	Consolidated Financial Statements	✓	✓
IFRS 11	Joint Arrangements		✓
IFRS 12	Disclosure of interests in Other Entities		✓
IFRS 13	Fair Value Measurement	✓	✓
IFRS for SMEs	IFRS for Small and Medium sized Entities		✓
	<b>Other Statements</b>		
	The Conceptual Framework for Financial Reporting	✓	✓
Practice Stmt	Management Commentary		✓
	Consultation Draft of the International <IR> Framework		✓
	<b>EDs, Discussion Papers and Other Documents</b>		
ED2013/3	Financial Instruments: Expected credit losses		✓
ED 2011/06	Revenue from contracts with customers		✓
ED 2013/6	Leases		✓
Draft	IFRS 9 – Chapter 6 -Hedge Accounting		✓
ED 2012/2	Improvements to IFRSs		✓
ED/2012/3	Equity Method: Share of other net asset changes		✓
ED/2012/6	Sale or contribution of assets between an investor and its associate or joint venture		✓
ED/2012/7	Acquisition of an interest in a joint operation		✓
DP	A review of the Conceptual Framework for Financial Reporting		✓

#### Note

The accounting of financial assets and financial liabilities is accounted for in accordance with IFRS 9 to the extent that this standard was in issue as at 31 August 2013. For any elements of the study guide deemed as examinable and not covered by IFRS9, these elements should be dealt with by studying IAS39.

**ADDITIONALLY EXAMINABLE FOR P2 UK and IRISH PAPERS ONLY**

Indicated below are the main areas of difference between the IFRS for SMEs and UK FRS 102 and whether they are examinable in P2.

NOTE: As from the December 2014 sitting, there will no longer be a UK adapted version of paper F7.

<b>IFRS for SMEs section</b>	<b>UK GAAP difference</b>	<b>Difference examinable in P2?</b>
1 Scope	FRS 100 <i>Application of Financial Reporting Requirements</i> sets out the scope of FRS 102 and establishes which accounting frameworks should be used by different entities under the UK regulatory framework.	Yes
2 Concepts and Pervasive Principles	No significant differences	No
3 Financial Statement Presentation	Companies Act requirements in relation to the true and fair override	Yes
4 Statement of Financial Position	Replaced by Companies Act requirements	No
5 Statement of Comprehensive Income and Income statement	Replaced by Companies Act requirements	No
6 Statement of Changes in Equity and Statement of Income and Retained Earnings	Minor differences in disclosure detail	No
7 Statement of Cash Flows	Scope amended to exclude mutual life assurance companies, pension funds and certain investment funds.	Yes
8 Notes to the Financial Statements	No significant changes	No
9 Consolidated and Separate Financial Statements	The requirements to present consolidated financial statements are amended to comply with the Companies Act.	Yes
10 Accounting Policies, Estimates and Errors	Accounting treatment for changes in accounting policy on revaluation of PPE and intangible assets in line with IAS 10 <i>Accounting Policies</i> .	Yes
11 Basic Financial Instruments	Minor differences and clarifications	No

12 Other Financial Instruments	Minor differences and clarifications	No
13 Inventories	Clarifications on inventory acquired through non-exchange transactions	Yes
14 Investments in associates	Amended scope. Equity accounting for investments in associates in individual financial statements is not permitted as it is not compliant with company law. Transaction cost are included in transaction price on initial recognition.	Yes
15 Investments in joint ventures	Amended scope. Equity accounting for interests in jointly controlled entities in individual financial statements is not permitted as it is not compliant with company law.	Yes
16 Investment Property	No significant changes	No
17 Property, Plant and Equipment	The cost model or revaluation model may be used after initial recognition	Yes
18 Intangible assets other than goodwill	Intangible assets that result from expenditure on internal development of intangible items may be recognised subject to certain criteria The cost model or revaluation model may be used after initial recognition	Yes
19 Business Combinations and Goodwill	Presumed useful life of goodwill not to exceed 5 years. Treatment of bargain purchases (negative goodwill) amended to comply with Companies Act.	Yes
20 Leases	Minor clarifications only	No
21 Provisions and Contingencies	Financial guarantee contracts included.	No
22 Liabilities and Equity	Minor clarifications only	No
23 Revenue	No significant changes	No
24 Government Grants	Additional model of accounting grants permitted (the accrual model).	Yes
25 Borrowing Costs	Amended to allow capitalisation of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.	Yes
26 Share-based payment	Minor clarifications only	No
27 Impairment of assets	Amendment to allow the reversal of impairment losses against goodwill.	Yes
28 Employee Benefits	Presentation of cost of defined benefit plans and the accounting for group plans amended in line with IAS 19 <i>Employee Benefits (2011)</i>	No
	Option to use a simplified valuation method in measuring the liability removed.	Yes
29 Income tax	Entire section replaced	Yes
30 Foreign Currency Translation	No significant changes	No

31 Hyperinflation	No significant changes	No
32 Events after the end of the Reporting Period	Further guidance on impact of changes in the entity's going concern status	No
33 Related Party Disclosures	Disclosure exemption for wholly-owned entities available in the Companies Act added.	Yes
34 Specialised Activities	Additional Specialised activities are covered: Financial Institution Retirement Benefit Plans Heritage Assets Funding Commitments Incoming Resources from non-exchange Transactions Public Benefit Entity Combinations Public Benefit Entity Concessionary Loans	No

Additionally for the P2 UK paper the following basic Companies Act requirements surrounding when

- single and group entity financial statements are required and when exemptions may be claimed from the preparation.
- a subsidiary may be excluded from the group financial statements are also examinable.