

Course unit title:	Intermediate Financial Accounting I		
Course unit code:	ABSA 203		
Type of course unit:	Compulsory		
Level of course unit:	Bachelor (1st Cycle)		
Year of study:	2		
Semester when the unit is delivered:	3 (Fall)		
Number of ECTS credits allocated :	6		
Name of lecturer(s):	Dr. Andreas K. Georgiou, Dr. Christos Mina		
Learning outcomes of the course unit:	<ol style="list-style-type: none"> 1. Construct final accounts for limited companies either for publication or for internal use. 2. Examine and apply the accounting standards in the areas of: tangible assets, intangible assets and depreciation. 3. Apply the principles of double entry concerning the redemption of securities and the purchase by a company of its own shares. 4. Apply the basic principles of simple consolidated statement of financial position (group balance sheet). 5. Prepare investment accounts for limited companies and apply the principles of double entry to company reorganisations including the issue of shares and debentures. 		
Mode of delivery:	Face-to-face		
Prerequisites:	ABSA 102	Co-requisites:	None
Recommended optional program components:	None		
Course contents:	<ul style="list-style-type: none"> • It is assumed the content of the modules ABSA 101 and ABSA 102 is carried forward to this module. • Issue of shares and debentures: Under the theory on the issue of shares and issue of debentures. Recognise the procedure when issuing shares. Prepare the application and allotment account and the journals for these entries. Prepare the ordinary shares, share premium, debentures and debenture premium and the journals for these entries. Record entries and journals for calls in arrears and calls in advance. • Redemption of securities and purchase of own shares: Recognise the legislation concerning redemption of securities and the purchase by a company of its own shares. Prepare the ledger entries and journal entries when a firm redeems its securities (for example loan stock, redeemable preference shares etc.). Prepare a revised statement of financial position after the redemption of securities. Prepare the ledger entries and journal entries when a firm purchases its own shares out of distributable reserves or through a mix of a new issue of shares or through distributable reserves. Prepare a revised statement of financial position after the purchase of a company of its own shares. • Capital reorganisations: Explain what is meant by the terms “bonus issues”, “share splits”, “share consolidation” and “rights issues”. Prepare the necessary journal and ledger entries for: bonus issues; share splits; share consolidation; and, rights issues. Be able to interpret the effect on the statement of financial position of these capital organisations. • Investment accounts: Examine the theory and practice of double entry bookkeeping as applied to investments with their effect on the statement of 		

	<p>financial position. Prepare the relevant ledger entries and journals concerned with investment in securities and the returns on these investments (e.g. dividends, interest). Prepare extracts concerning investments for the statement of profit and statement of financial position.</p> <ul style="list-style-type: none"> • Limited company financial statements for internal use: Preparing final accounts for limited company accounts for internal use. Show from given information in the statement of profit: revenue, cost of sales; gross profit; profit before tax and profit for the year. Show from given information in the statement of financial position: Non-current assets; current assets; capital and reserves; non-current liabilities and current liabilities. Examine the limitations of financial statements. • Limited company financial statements for publication: Examine formats in line with the relevant legislation and accounting standards. Understand the nature and components of reserves. Preparing final accounts for limited company accounts for publication for single entities. Show from given information in the statement of profit (in a form for publication): revenue, cost of sales; gross profit; profit before tax and profit for the year. Be able to account for the impairment of assets and taxation. Show from given information in the statement of financial position (in a form for publication): Non-current assets; current assets; capital and reserves; non-current liabilities and current liabilities. Prepare the statement of equity from given information. Prepare extracts of the notes to the financial statements including those of property, plant and equipment. • Conceptual and regulatory framework: Define the term conceptual framework and why there is a need for it for financial reporting. Examine the role of international financial reporting standards (regulatory framework) in financial reporting. Examine the qualitative characteristics of useful information That include amongst others: faithful representation and relevance. Examine what is meant by recognition and its criteria. • Accounting standards: Examination of: definitions; recognition criteria; stages of recognitions; measurements and disclosure rules of accounting standards related to tangible assets, intangible assets and depreciation. • Introduction to consolidated financial statements (consolidated statement of financial position): Explain the terms: parent, subsidiary, control and non-controlling interest. Analyse the significance of subsidiaries and non-controlling interests to group accounts. Be able to prepare consolidated adjustments for goodwill, non-controlling interests and the retained profit. Prepare from given information a consolidated statement of financial position involving two or more companies in a group.
Recommended and/or required reading:	F Wood and A Sangster, Business Accounting: Volume 2 , 13 th Edition, Pearson, 2015.
Textbooks:	F Wood and A Sangster, Business Accounting: Volume 2 , 13 th Edition, Pearson, 2015.
References:	<p>Kaplan Publishing, ACCA Paper F3 (INT) Financial Accounting (FA) Complete Text, Latest Edition, Kaplan Publishing.</p> <p>Pauline Weetman, Financial & Management Accounting: An introduction, 7th Edition, 2015, Pearson.</p> <p>BPP, AIA 13 Financial Accounting 3: Study Text, BPP Learning Materials, 2015.</p>

Planned learning activities and teaching methods:	<p>The taught part of course is delivered to the students by means of lectures, conducted with the help of computer presentations. Lecture notes and presentations are available through the web for students to use in combination with the textbooks.</p> <p>Lectures are supplemented with class exercises carried out in class and via homework.</p>
Assessment methods and criteria:	<ul style="list-style-type: none"> • Assignments 20% • Tests: 20% • Final Exam 60%
Language of instruction:	English
Work placement(s):	No