

Course unit title:	Intermediate Financial Accounting II		
Course unit code:	ABSA 204		
Type of course unit:	Elective		
Level of course unit:	Bachelor (1st Cycle)		
Year of study:	2		
Semester when the unit is delivered:	4 (Spring)		
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. Prepare the consolidated statement of financial position (for 2 or more companies in the group) involving consolidation adjustments and interpret the financial position of the group. 2. Prepare statements of cash flows in accordance with international accounting standards and be in a position to interpret the results. 3. Interpret the financial performance and financial position of limited companies using ratio analysis. 4. Prepare the accounting entries involving partnership dissolution. 5. Prepare the journal entries of a company involving an acquisition of an unincorporated business and a transfer of a business to the company. 6. Examination of: definitions; recognition criteria; stages of recognitions; measurements and disclosure rules of accounting standards related to provisions and contingencies; impairment of assets; non-current assets for sale and goodwill amongst others. Apply the principles of accounting standards in a corporate setting. 		
Mode of delivery:	Face-to-face		
Prerequisites:	ABSA 203	Co-requisites:	None
Recommended optional program components:	None		
Course contents:	<ul style="list-style-type: none"> • All aspects from previous modules in financial accounting that is ABSA 101, ABSA 102 and ABSA 203 are carried forward to this module. • Group Statement of Financial Position: Prepare simple consolidated statements of financial position. Examine consolidated adjustments such as inter group profits, fair value adjustments, elimination of inter-group trading balances and the provision of unrealised profit amongst others. Be able to calculate the goodwill on consolidation, non-controlling interest and consolidated retained earnings from given information. Be able to prepare from given information the consolidated statement of financial position with consolidated adjustments. • Theory of business combinations: Examine the theory and practice of business combinations. Being able to understand apply the acquisition method of consolidation. • Ratio analysis: Examine the why interpreting financial information is used in business. Explain the purpose of ratio analysis. Identify the formulas concerning the main profitability ratios, liquidity ratios, gearing, efficiency ratios and investment ratios and applying them to case study scenarios. Understand the interrelationships between ratios. Calculating ratios from a set of final accounts of public companies and be in a position to interpret the financial performance of the firm. Examine the limitation of interpretation techniques such as ratio 		

	<p>analysis. Interpretation of the performance of non-profit organisations and public sector entities.</p> <ul style="list-style-type: none"> ● Statements of cash flow: Examine formats in line with international accounting practice. Preparing statements of cash flows for limited company for publication. From given information interpret the results from statements of cash flow. Examine the accounting practice concerning cash flow statements and understanding the role of: operating, investing and financing activities. Examine the format of cash flow statements in accordance with accounting standards comparing the direct method to the indirect method. Analyse the relationship between cash flow and profit. Prepare cash flow statements given final accounts and notes. ● Acquisitions of unincorporated businesses: Examine the double entry bookkeeping when an unincorporated business is acquired by a limited company. Analyse the double entry bookkeeping from the company viewpoint concerning the acquisition. Be able to be in a position to interpret the financial position of the partnership. Analyse the reasons behind partnership dissolutions. Examine the double entry bookkeeping when a partnership is disposed of to a limited company. Analyse the double entry bookkeeping from the company viewpoint concerning its acquisition. Be able to be in a position to comment on the effects of the financial position of the company that has acquired the partnership. Calculate any profit earned prior to incorporation and apply the relevant accounting treatment. ● Accounting standards: Identify the definition of provisions and contingencies, its recognition and measurement provisions, disclosures and accounting treatment. Identify the definition of tangible non-current assets and intangible assets and examine standards related to this area concerning: definitions, its recognition and measurement provisions, disclosures and accounting treatment. The standards covered include: property, plant and equipment, non-current assets for sale, intangible assets and investment properties. Examine the standard on impairment of assets and other standards affected by this such as goodwill. Examine standards connected to reporting financial performance including discontinued operations. Review the developments concerning off balance sheet finance. Critically appraise the effects on performance and on the financial position of off balance sheet options such as leasing.
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>Kaplan Publishing, ACCA Paper F7 (INT) Financial Reporting (FA) Complete Text, Latest Edition, Kaplan Publishing.</p> <p>BPP, AIA 13 Financial Accounting 3: Study Text, BPP Learning Materials, 2015.</p>
Planned learning activities and teaching methods:	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.

	Lectures are supplemented with class exercises carried out in class and via homework.
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