

# CPA PREPARATORY COURSES SYLLABUS

## Intermediate Financial Reporting 1

## Purpose

The purpose of this syllabus is to provide information about the Intermediate Financial Reporting 1 CPA preparatory course. This document has been produced for current and potential students and those who advise them; and others in the professional, academic, and general community.

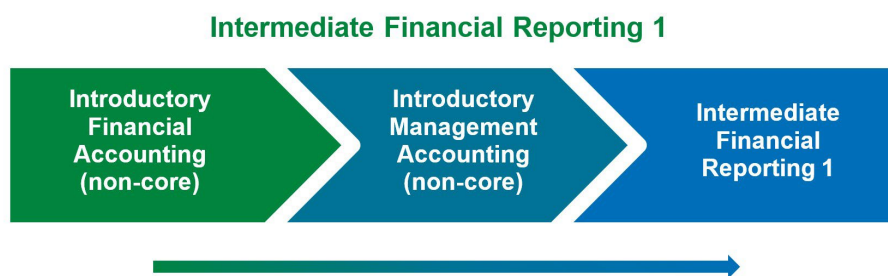
## Course Overview

### Course description

This six-week core course builds on the introductory financial accounting skills that are acquired in the Introductory Financial Accounting course. This course covers fundamental accounting concepts consistent with the methodology used in the *CPA Canada Handbook — Accounting*. The topics covered in Intermediate Financial Reporting 1 form the basis for the other financial reporting courses.

### Course prerequisites

The prerequisites for this course are the following courses or equivalent post-secondary courses:



\* Introductory Management Accounting can be taken concurrently with, but not prior to, Introductory Financial Accounting.

### Resources

See the Student Guide for a comprehensive list of course resources.

### Grading

See the Student Guide for the course grading structure.

## Course objectives

- Describe the Conceptual Framework for Financial Reporting and the differences between International Financial Reporting Standards (IFRS) and Accounting Standards for Private Enterprises (ASPE) and apply this framework to a variety of business transactions.
- Discuss standard setting in Canada and the main components of the *CPA Canada Handbook – Accounting*.
- Prepare and analyze the statement of cash flows under IFRS and identify differences compared to ASPE.
- Demonstrate an understanding of financial reporting for revenue recognition, intangible assets and goodwill, passive investments, impairment, non-monetary transactions, government grants, contingencies, discontinued operations, non-current assets held for sale, related party transactions, and long-term financial liabilities, and subsequent events.
- Understand and apply the methods of estimating inventory.
- Demonstrate an understanding of in-depth financial reporting topics for property, plant, and equipment.
- Analyze the accounting treatment of changes in accounting policy, changes in estimates, and errors under IFRS and ASPE, ensuring proper application in financial reporting.

## Course Outline

The following topics are covered in Intermediate Financial Reporting 1:

### Unit 1

- The *Conceptual Framework for Financial Reporting* from an International Financial Reporting Standards (IFRS) perspective.
- Differences in the conceptual framework between IFRS and Accounting Standards for Private Enterprises (ASPE).
- Standard setting in Canada.
- The *CPA Canada Handbook — Accounting*, identifying the four parts that are included in the *Handbook* and providing guidance on how to locate information within the *Handbook*.
- The statement of cash flows under IFRS and the differences between IFRS and ASPE.

### Unit 2

- The basic components of financial reporting for revenue recognition from an ASPE and IFRS perspective.

### Unit 3

- Specific applications of financial reporting for revenue recognition from an IFRS perspective and the differences between IFRS and ASPE.
- Methods of estimating inventory.
- The basic components of financial reporting for intangible assets and goodwill from an IFRS perspective and the differences between IFRS and ASPE.

### Unit 4

- The basic components of financial reporting for passive investments from an IFRS perspective and the differences between IFRS and ASPE.
- Financial reporting for impairment from an IFRS perspective and the differences in the treatment of impairment between IFRS and ASPE.
- The basic components of non-monetary transactions from an ASPE perspective and the differences between ASPE and IFRS.
- In-depth topics for property, plant, and equipment from an IFRS and ASPE perspective.

## Unit 5

- The basic components of accounting for government grants from an IFRS perspective and the differences between IFRS and ASPE.
- Financial reporting for contingent outflows and contingent inflows from an IFRS perspective and the differences between IFRS and ASPE.
- Financial reporting requirements of discontinued operations under IFRS and ASPE.
- The basic components of financial reporting for non-current assets held for sale from an IFRS perspective and the differences between IFRS and ASPE.
- The basic components of related party transactions in profit-oriented financial statements from an ASPE perspective and the differences between ASPE and IFRS.

## Unit 6

- Accounting for long-term financial liabilities from an IFRS perspective and the differences between IFRS and ASPE.
- Accounting changes, including changes in accounting policy and changes in estimate, from an IFRS perspective and the differences between IFRS and ASPE.
- Accounting for errors from an IFRS perspective and the differences between IFRS and ASPE.
- Financial reporting for subsequent events from an IFRS perspective and the differences between IFRS and ASPE.

## Reading List

The following chapters from the Financial Reporting Volume of the eBook are the required readings for the course:

### Unit 1

- Chapter 4 — The Conceptual Framework
- Chapter 5 — Accounting Standards
- Chapter 6 — *CPA Canada Handbook*
- Chapter 14 — Financial Statements and Disclosures — Statement of Cash Flows

### Unit 2

- Chapter 17 — Revenue — ASPE
- Chapter 18 — Revenue — IFRS

### Unit 3

- Chapter 19 — Revenue — Specific Applications
- Chapter 25 — Estimating Inventory
- Chapter 30 — Intangible Assets

### Unit 4

- Chapter 28 — Passive Investments in Financial Assets
- Chapter 31 — Impairment of Assets
- Chapter 32 — Non-Monetary Transactions
- Additional Reading – Property, Plant, and Equipment – In-Depth

### Unit 5

- Chapter 33 — Government Grants
- Chapter 37 — Contingencies
- Chapter 61 — Discontinued Operations
- Chapter 62 — Non-Current Assets Held for Sale
- Chapter 65 — Related Party Transactions

### Unit 6

- Chapter 39 — Long-Term Financial Liabilities
- Chapter 51 — Accounting for Changes
- Chapter 52 — Accounting for Errors
- Chapter 53 — Events After the Reporting Period