

MINISTRY OF SCIENCE AND EDUCATION OF THE REPUBLIC OF KAZAKHSTAN

NEI «ALMATY MANAGEMENT UNIVERSITY»

DEPARTMENT: “EVALUATION, ACCOUNTING AND AUDITING “

APPROVED

at a meeting of Educational
methodical Council

Chairman

_____ Duysengulova N.S.

«____» _____ 20__ г., № _____

Academic program: **Bachelor**

Specialty: 5B050800 – “Accounting and audit”

WORKING PROGRAM

on the course: **Financial Accounting - 1**

Almaty 2014

Completed by: PhD _____ L. Yespergenova

Working programm is based on Standard Program of the course “Financial Accounting -1” for students of the specialty 5B050800 – “Accounting and audit”

The working program has been developed on the basis of the Sample Program of the course(for mandatory component): “Financial Accounting -1” for students of the specialty: 5B050800 – “Accounting and audit”

The working curriculum was reviewed at the meeting of the Department of “Evaluation, Accounting and Auditing”

Protocol № _____ from “ _____ ” _____ 20__

Head of the department “Evaluation, Accounting and Auditing”

Ph.D _____ L. Nurgasieva

1 Preface

Discipline "Financial accounting - 1" is an ongoing course of accounting principles and is designed for students specializing in accounting and auditing. In this course covers fundamental topics that help develop professional thinking. "Financial accounting-1" considers the order and procedures reflection in accounting of assets, liabilities and capital of the company, evaluation methods applied. During the study of this discipline are considered forms of financial statements that are subject to preparation, drawing up principles, objects which are recorded.

Methodology of teaching this discipline provides for:

- Lecturing;
- Practical classes conduction;
- Laboratory classes (if there are in the curriculum);
- IWST;
- Course paper fulfillment (if there are in the curriculum);
- IWS.

The purpose of the discipline consists in acquiring skills for collecting, recording and processing of information necessary for preparation of the financial reporting in accordance with international standards.

The objectives of teaching this discipline are:

- Understanding of the role of financial accounting in a market economy, its tasks in safeguarding and control of legality and appropriateness of all types of resources;
- The recovery of the order of organization of the accounting process of company;
- The study of international financial reporting standards, including accounting of cash, accounts receivable, inventories, fixed assets and intangible assets, excluding liabilities and equity, financial reporting;
- Knowledge of best practices organization of financial accounting;
- Fostering the skills of self-help issues related to accounting and economic activities of businesses;
- The ability to use advanced forms and methods of accounting and economic work;
- The ability to conduct scientific research in the field of financial accounting and analyze the results.

Prerequisites: Principles of Accounting.

Post requisites: Financial accounting - 2, tax accounting, management accounting.

Upon completion of this discipline students must:

master the following competencies according to the competence model of the bachelor

General competencies:

- **to know** theoretical principles of natural sciences (social, humanitarian, economic), which contribute to the formation of a well-educated person with a spacious mind; Foundations of Economics, Management, Marketing, Finance, Taxation; Basics of the legal system of the Republic of Kazakhstan;
- **to be able to** adequately navigate various social situations; Work in a team; to defend their positions, and suggest new approaches; Reach compromise, correlate their opinions with the opinions of the team members; Aim or professional and personal development; Use information technologies in their professional work; Navigate information streams, and be able to face challenges of the world economy;
- **to have skills** in: research skills necessary for day-to-day professional activities and possible study at master's programs; Operating an office equipment; Compliance with ethical and legal norms;

Subject-specialized:

- **to know** theoretical principles of IFRS and IAS accounting and reporting, its nature, purpose, basic terms and definitions; Accounting methods to prepare financial reports in accordance with

IFRS, namely: accounting for current and non-current assets and liabilities; equity and earnings per share;

- **to be able to** understand the provisions of International financial Reporting Standards; Analyze and interpret IFRS provisions in practical scenarios; Prepare basic financial statements in accordance with IFRS;

- **to have skills** in preparing basic financial statements in accordance with IFRS;

Economic and organizational and managerial competencies:

- **to know** objectives of the governmental regulation of the economy, and a role of public sector; Business ethics;

- **to be able to** follow the common social and ethical norms in their professional life;

- **to have skills** in decision-making.

2 THEMATIC PLAN OF THE DISCIPLINE

№	Theme	Contact hours				
		In total	Lectures	Practical classes	IWST	IWS
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
1	Accounting for cash, accounts receivable and cash equivalents.	9	2	1	1	7
2	Time Value of Money.	6	1	1	1	6
3	Account receivables and other assets.	18	4	2	2	7
4	Accounting for inventories (IAS 2).	18	4	1	1	7
5	Accounting of fixed assets (IAS 16)	18	4	2	2	7
6	Accounting of intangible assets (IAS 38)	9	2	1	1	7
7	Impairment assets (IAS 36)	9	2	1	1	7
8	Accounting of liabilities	12	3	1	1	7
9	Revenues, recognition of revenues and expenses (IAS 18)	9	2	1	1	7
10	Accounting for capital and reserves	9	2	1	1	6
11	Presentation of Financial Statements (IAS 1)	18	4	2	2	7
	Total	135	30	15	15	75

3 Content of the discipline

Theme 1: Accounting for cash, accounts receivable and cash equivalents.

Recognition of cash and cash equivalents. Organization of accounting monetary transactions. Accounting for cash on hand: primary documents, accounting records and synthetic account. Account money on current accounts: primary documents, accounting records and synthetic account. Forms of cashless payments and accounting, cash equivalents. Restrictions on the use of funds. Control over cash.

Theme 2: Time Value of Money.

Concept of present value. Simple and compound interest. Future value of money. Present value of money. Annuities, their types.

Theme 3: Account receivables and other assets.

Recognition and classification of receivables. Initial assessment. Account receivable from buyers and customers. Discounts and returns. Concept and debit doubtful receivables. Methods of reserves for doubtful debts.

Account receivables of subsidiaries, associates and branches. Receivables from employees, rent, remuneration and other receivable.

Accounting for other short-term assets: tax assets; assets held for sale; prepayments; deferred expenses.

Theme 4: Accounting for inventories (IAS 2).

Definition and classification of reserves. Valuation of inventory at cost. Methods of inventory valuation at cost. Valuation of inventory to net realizable value. Inventory system (IFRS 2 and NFRS 2). Unlike periodic and perpetual inventory. Synthetic and analytical accounting reserves.

Theme 5: Accounting of fixed assets (IAS 16)

Criteria for recognition of fixed assets. Initial evaluation of fixed assets. Account of receipt of fixed assets: primary documents, accounting records and synthetic account.

Depreciation: useful lives and methods are reflected in the accounts.

Subsequent costs: costs and capitalization period. Subsequent evaluation of fixed assets.

Disposals of fixed assets: primary documents, accounting records and synthetic account.

Disclosure of fixed assets.

Theme 6: Accounting of intangible assets (IAS 38)

Recognition of intangible assets: identifiability, control and future economic benefits. Additions of intangible assets: primary documents, accounting records and synthetic account. Cost of an internally - generated intangible asset.

Subsequent costs. Subsequent measurement of intangible assets: a model under the historical cost model revaluation.

Useful life. Intangible assets with indefinite useful lives. Methods of amortization. Eliminating the use and disposal of intangible assets.

Theme 7: Impairment assets (IAS 36)

Impairment of assets, its definition and characteristics. The recoverable amount. Fair value less costs to sell. Value in use. Cash-generating unit.

Recognition of the impairment loss. Reversal (reversal) of impairment loss.

Synthetic account of impairment.

Theme 8: Accounting of liabilities

Financial liabilities: bank and other loans, dividends and earnings of participants. Accounting for tax liabilities. Recognition of liabilities for other mandatory and voluntary payments.

Account payable: suppliers and contractors; subsidiary (associate, joint) organizations; affiliates and divisions; Remuneration payable. Recognition of borrowing costs (IAS 23). Accounting for short-term debt to pay (IAS 19). Accounting for other liabilities: advances received; deferred income; liabilities of disposal group; other liabilities.

Theme 9: Revenues, recognition of revenues and expenses (IAS 18)

Revenue recognition criteria (IAS 18). Identification of the transaction. The recognition of revenue from sales of goods; from the provision of services; Interest; royalties and dividends. Records of income from sales of products and services. Accounting for finance income. Account other income.

Accounting for cost of goods sold and services rendered. Expense Tracker period. Accounting for other expenses. Recognition of total income or loss; closing wiring; cost accounting for corporate income tax.

Theme 10: Accounting for capital and reserves

Initial recognition of financial instruments issued (IAS 32 and 39). Division into its own and borrowed capital. Accounting for share capital: issued share capital; deposits and shares. Accounting for unpaid capital. Repurchased own equity instruments. Share premium account.

Reserves accounting organization: reserve capital reserves on revaluation of assets; reserves on foreign currency translation and other reserves.

Retained earnings and past reporting period. Uncovered loss reflected in the accounting and financial reporting.

Theme 11: Presentation of Financial Statements (IAS 1)

Purpose Financial Statements. Materiality and aggregation in the financial statements. Offsetting balance sheet items.

Presentation of the statement of financial position (balance sheet). Minimum requirements for the presentation of balance sheet items.

Minimum requirements for the income statement (profit and loss). Two forms of the profit and loss account: the nature of expense and cost functions. Other comprehensive income.

The structure of the statement of changes in equity.

Presentation of the statement of cash flows. Flows from operating, investing and financing activities. Methods of the statement of cash flows: direct and indirect.

Disclosure in the notes. The concept and structure of the accounting policies. Events after the reporting period: adjusting and non-adjusting.

4 Themes for practical and laboratory classes**Theme 1. Accounting for cash and cash equivalents****Questions to review:**

1. Recognition of cash and cash equivalents.
2. Arrangement of monetary transactions.
3. Accounting cash on hand: primary documents, accounting records and synthetic account.
4. Allowance money on current accounts: primary documents, accounting records and synthetic account.
5. Forms of cashless payments and accounting, cash equivalents.
6. Restrictions on use of funds.

7. Control over cash.

Theme 2. Time Value of Money

Questions to review:

1. The present value concept
2. Simple and compound interest
3. Future Value of Money
4. Present value of money
5. Annuities, their types

Theme 3. Accounting receivables and other assets

Questions to review:

1. Recognition and classification of receivables initial assessment.
2. Consideration receivable from buyers and customers. Discounts and returns.
3. Concept and writing off bad debt. Methods of reserves for doubtful debts.
4. The accounts receivable of subsidiaries, associates and branches.
5. Receivables from employees, rent, remuneration and other receivable.
6. Consideration of other short-term assets: tax assets; assets held for sale; prepayments; deferred expenses.

Theme 4. Inventory (IAS 2)

Questions to review:

1. Definition and classification of reserves
2. Valuation of inventory at cost
3. Methods of inventory valuation at cost
4. Valuation of inventory to net realizable value
5. Inventory system (IFRS 2 and NFRS 2). Unlike periodic and perpetual inventory
6. Synthetic and analytical accounting reserves.

Theme 5. Accounting of fixed assets (IAS 16)

Questions to review:

1. Criteria for recognition of fixed assets. Initial evaluation of fixed assets.
2. Accounting income assets: primary documents, accounting records and synthetic account.
3. Depreciation: useful lives and methods are reflected in the accounting.
4. Subsequent costs: costs and capitalization period. Subsequent evaluation of fixed assets.
5. Disposals of fixed assets: primary documents, accounting records and synthetic account. Disclosure of fixed assets.

Theme 6. Intangible assets (IAS 38)

Questions to review:

1. Recognition of intangible assets: identifiability, control and future economic benefits.
2. Additions of intangible assets: primary documents, accounting records and synthetic account. Cost of an internally - generated intangible asset.
3. Subsequent costs. Subsequent measurement of intangible assets: a model under the historical cost model revaluation.
4. Useful life. Intangible assets with indefinite useful lives.
5. Methods amortization.
6. Stopping the use and disposal of intangible assets.

Theme 7. Impairment of Assets (IAS 36)

Questions to review:

1. Impairment its definition and characteristics.
2. Recoverable amount. Fair value less costs to sell. Value in use. cash-generating unit.
3. Recognition of impairment losses. Reversal (reversal) of impairment loss.
4. Synthetic accounting impairment.

Theme 8. Accounting of liabilities

Questions to review:

1. Financial liabilities: bank and other loans, dividends and income participants.
2. Accounting for tax liabilities.
3. Accounting obligations under other mandatory and voluntary payments.
4. Consideration payable: suppliers and contractors; subsidiary (associate, joint) organizations; strukturnym affiliates and divisions; Remuneration payable in recognition of borrowing costs (IAS 23).
5. Accounting for short-term debt to pay (IAS 19).
6. Consideration of other liabilities: advances received; deferred income; liabilities of disposal group; other liabilities.

Theme 9. Revenues, recognition of revenues and expenses (IAS 18)

Questions to review:

1. The revenue recognition criteria. Identification of the transaction. The recognition of revenue from sales of goods; from the provision of services; Interest; royalties and dividends
2. Accounting for income from sales of products and services.
3. Accounting for finance income.
4. Consideration of other income.
5. Allowance for cost of goods sold and services rendered.
6. Expense Tracker period.
7. Consideration of other expenses.
8. Recognition of total income or loss; closing wiring; cost accounting for corporate income tax.

Theme 10. Accounting for capital and reserves

Questions to review:

1. Initial recognition of financial instruments issued (IAS 32 and 39)
2. Division on its own and borrowed capital
3. Accounting for share capital: issued share capital; deposits and shares
4. Accounting unpaid capital.
5. Treasury equity instruments.
6. Accounting seignior age.
7. Accounting organization reserves: reserve capital reserves on revaluation of assets; reserves on foreign currency translation and other reserves.
8. Retained profit and last period. Uncovered loss reflected in the accounting and financial reporting.

Theme 11. Presentation of Financial Statements (IAS 1)

Questions to review:

1. Purpose Financial Statements. Materiality and aggregation in the financial statements. Offsetting the balance sheet items
2. Presentation of the statement of financial position (balance sheet). Minimum requirements for the presentation of balance sheet items.

3. Minimum requirements for the income statement (profit and loss). Two forms of the profit and loss account: the nature of expense and cost functions. Other comprehensive income.
4. Structure of the statement of changes in equity.
5. Submission Statement of Cash Flows. Flows from operating, investing and financing activities. Direct and indirect methods of the statement of cash flows.
6. Disclosure in the notes.
7. Concept and structure of accounting policies.
8. Events after the reporting period: adjusting and non-adjusting.

5. Themes, questions and assignments to fulfill IWS/IWU

Theme 1. Accounting for cash and cash equivalents

Questions and assignments to fulfill:

1. Arrangement of monetary transactions.
2. Accounting cash on hand: primary documents, accounting records and synthetic account.
3. Allowance money on current accounts: primary documents, accounting records and synthetic account.
4. Forms of cashless payments and accounting, cash equivalents.
5. Performing tasks on the handout

Theme 2. Time Value of Money

Questions and assignments to fulfill:

1. Simple and compound interest
2. Future Value of Money
3. Present value of money
4. Annuities, their types
5. Performing tasks on the handout

Theme 3. Accounting receivables and other assets

Questions and assignments to fulfill:

1. Consideration receivable from buyers and customers. Discounts and returns.
2. Concept and writing off bad debt. Methods of reserves for doubtful debts.
3. The accounts receivable of subsidiaries, associates and branches.
4. Receivables from employees, rent, remuneration and other receivable.
5. Consideration of other short-term assets: tax assets; assets held for sale; prepayments; deferred expenses.
6. Performing tasks on the handout

Theme 4. Inventory (IAS 2)

Questions and assignments to fulfill:

1. Valuation of inventory at cost
2. Methods of inventory valuation at cost
3. Valuation of inventory to net realizable value
4. Inventory system (IFRS 2 and NFRS 2). Unlike periodic and perpetual inventory
5. Synthetic and analytical accounting reserves.
6. Performing tasks on the handout

Theme 5. Accounting of fixed assets (IAS 16)

Questions and assignments to fulfill:

1. Accounting income assets: primary documents, accounting records and synthetic account.

2. Depreciation: useful lives and methods are reflected in the accounting.
3. Subsequent costs: costs and capitalization period. Subsequent evaluation of fixed assets.
4. Disposals of fixed assets: primary documents, accounting records and synthetic account. Disclosure of fixed assets.
5. Performing tasks on the handout

Theme 6. Intangible assets (IAS 38)

Questions and assignments to fulfill:

1. Recognition of intangible assets: identifiability, control and future economic benefits.
2. Additions of intangible assets: primary documents, accounting records and synthetic account. Cost of an internally - generated intangible asset.
3. Subsequent costs. Subsequent measurement of intangible assets: a model under the historical cost model revaluation.
4. Methods amortization.
6. Performing tasks on the handout.

Theme 7. Impairment of Assets (IAS 36)

Questions and assignments to fulfill:

1. Impairment its definition and characteristics.
2. Recoverable amount. Fair value less costs to sell. Value in use. cash-generating unit.
3. Recognition of impairment losses. Reversal (reversal) of impairment loss.
4. Synthetic accounting impairment.
5. Performing tasks on the handout

Theme 8. Accounting of liabilities

Questions and assignments to fulfill:

1. Financial liabilities: bank and other loans, dividends and income participants.
2. Accounting for tax liabilities.
3. Accounting obligations under other mandatory and voluntary payments.
4. Consideration payable: suppliers and contractors; subsidiary (associate, joint) organizations; структурным affiliates and divisions; Remuneration payable in recognition of borrowing costs (IAS 23).
5. Accounting for short-term debt to pay (IAS 19).
6. Consideration of other liabilities: advances received; deferred income; liabilities of disposal group; other liabilities.
7. Performing tasks on the handout

Theme 9. Revenues, recognition of revenues and expenses (IAS 18)

Questions and assignments to fulfill:

1. The revenue recognition criteria. Identification of the transaction. The recognition of revenue from sales of goods; from the provision of services; Interest; royalties and dividends
2. Accounting for income from sales of products and services.
3. Accounting for finance income.
4. Consideration of other income.
5. Allowance for cost of goods sold and services rendered.
6. Expense Tracker period.
7. Consideration of other expenses.
8. Recognition of total income or loss; closing wiring; cost accounting for corporate income tax.
9. Performing tasks on the handout

Theme 10. Accounting for capital and reserves

Questions and assignments to fulfill:

1. Initial recognition of financial instruments issued (IAS 32 and 39)
2. Division on its own and borrowed capital
3. Accounting for share capital: issued share capital; deposits and shares
4. Accounting unpaid capital.
5. Treasury equity instruments.
6. Accounting seignior age.
7. Accounting organization reserves: reserve capital reserves on revaluation of assets; reserves on foreign currency translation and other reserves.
8. Retained profit and last period. Uncovered loss reflected in the accounting and financial reporting.
9. Performing tasks on the handout

Theme 11. Presentation of Financial Statements (IAS 1)

Questions and assignments to fulfill:

1. Presentation of the statement of financial position (balance sheet). Minimum requirements for the presentation of balance sheet items.
2. Minimum requirements for the income statement (profit and loss). Two forms of the profit and loss account: the nature of expense and cost functions. Other comprehensive income.
3. Structure of the statement of changes in equity.
4. Submission Statement of Cash Flows. Flows from operating, investing and financing activities. Direct and indirect methods of the statement of cash flows.
5. Disclosure in the notes.
6. Concept and structure of accounting policies.
7. Events after the reporting period: adjusting and non-adjusting.
8. Performing tasks on the handout

6. List of main and additional literature

Main literature

1. Law "On Accounting and Financial Reporting" from February 28, 2007 № 234 - III.*
2. Order of the Minister of Finance of the Republic of Kazakhstan "On Approval of the National Financial Reporting Standard number 1" from 21.06.2007 № 217.*
3. Order of the Minister of Finance of the Republic of Kazakhstan "On Approval of the National Financial Reporting Standard number 2" from 21.06.2007 № 218.
4. International Financial Reporting Standards: Translation of the full official text as of January 1, 2009 - // <http://www.iasb.org>.
5. Typical accounts plan, approved by Order of the Minister of Finance of the Republic of Kazakhstan dated May 23, 2007 № 185*
6. Order of the Minister of Finance of the Republic of Kazakhstan "On approval of primary accounting documents" from 21.06.2007 № 216.*
7. Order of the Minister of Finance of the Republic of Kazakhstan "On approval of the ledgers" from 21.06.2007 № 215.
8. Order of the Minister of Finance of the Republic of Kazakhstan "On approval of the rules of accounting" of 22.06.2007 № 221.
9. Financial Accounting 1. Tutorial with practical exercises designed program ATS on the basis of IFRS, 2007 APBDUz.*
10. Appakova GN Financial accounting in organizations Almaty, Publisher «LEM» 2010*
11. Keulimzhayev, K. Financial Statements [Text]: a tutorial / KK Keulimzhayev. - Almaty: Economy, 2009.*

12. Nurseitov, EO Accounting in organizations [Text]: Textbook. Benefit / EO Nurseitov - Almaty [b. and.], 2006.*
13. Tuleshova GK "Financial accounting in accordance with international standards" (Part 1, 2), Almaty, 2003, 2005.*

Additional literature

14. Guidelines on the application of IFRS. Almaty 2009.*
15. Order of the Minister of Finance dated 23 May 2007. № 184 "On approval of the list of forms and annual financial statements for publication, public interest organizations (other than financial instruments)"*
16. Order of the Minister of Finance of the Republic of Kazakhstan dated June 6, 2007 № 197 "On approval of financial reporting in the Depository"
17. Clothiers, MA International Financial Reporting Standards [Text]: a tutorial / MA clothiers. - 2nd ed., Sr. - M: Omega-L, 2011.*
18. Radostovets VK etc. "Accounting in the enterprise", Almaty, 2002*
19. Nazarova VL "Accounting business entities." Textbook. Almaty 2003.*
20. Edited by RM Rakhimbekova "Financial accounting in the enterprise," the textbook. Publisher "Economy" Almaty 2003*
21. Mirzhakypova ST, Appakova GN and other basics of accounting under IFRS. - Almaty: Economy, 2009*
22. Mirzhakypova ST Accounting in banks. - Almaty: Economy, 2009.*
23. Proskurin, VP Collection of problems in accounting [Text]: a tutorial / VP Proskurin. - Almaty: LEM, 2009.*

7. Exemplary topics of course papers

1. Accounting for cash
2. Accounting for foreign currency transactions
3. Arrangement of short-term liabilities
4. Accounting of capital
5. Accounting of Inventory
6. Accounting of Intangible assets
7. Accounting for long-lived assets
8. Financial Performance Accounting
9. Accounting of fixed asset
10. Expense Tracker organization
11. The account receivables
12. Accounting for short-term liabilities
13. Consideration payables
14. Accounting for long-term liabilities
15. Accounting for short-term debt to pay
16. Accounting for export and import operations
17. Accounting for borrowing costs
18. Impairment
19. Revenue recognition of income and expenses
20. Presentation of Financial Statements
21. The disclosures in the balance sheet
22. The disclosures in the statement of profit and loss
23. The disclosures in the statement of cash flows
24. The disclosures in the statement of changes in equity
25. Disclosure in the notes.

26. The concept and structure of the accounting policies.
27. Accounting for tax liabilities
28. Accounting organization reserves
29. Accounting for finance income
30. Accounting for income from sales of products and services.