



FAKULTI PENGURUSAN & INDUSTRI HALAL

PROGRAM	Diploma in Accountancy
COURSE NAME	FINANCIAL ACCOUNTING 5
COURSE CODE	FAR320
CREDIT HOUR	3
SYNOPSIS	This course lays the foundation for accounting and reporting for companies and group of companies. It examines the accounting treatments of the intangible assets, and the biological assets. This course also deals with the accounting procedures for company reconstruction and changes in business structure. In addition, it also deals with the preparation and presentation of the consolidated statement of profit or loss and other comprehensive income, statement of financial position, and statement of changes in equity prepared for publication purposes.
COURSE STRUCTURE	
CHAPTER	TOPICS
1	Intangible Assets (MFRS 138 and MFRS 136) 1.1 Subsequent measurement of intangible asset 1.2 Research and Development 1.3 Impairment loss 1.4 Disclosure of intangible asset
2	Agriculture (biological assets) (MFRS141) 2.1 Definition of agriculture-biological assets 2.2 Recognition and measurement of agriculture-biological assets 2.3 Government grant in relation to agriculture-biological assets 2.4 Disclosures of agriculture-biological assets
3	Company Reconstruction and Changes in Business Structure 3.1 Internal reconstruction or capital reduction 3.2 External reconstruction 3.3 Conversion of sole-proprietorship and partnership business into a company 3.4 Amalgamation 3.5 Absorption
4	Consolidated Financial Statement 4.1 Introduction to business combination 4.2 Recognising and measuring identifiable assets acquired and liabilities assumed 4.3 Recognising and measuring goodwill and bargain purchase 4.4 Definition of holding, subsidiary and associate companies 4.5 Group structure



	<p>4.6 Definition of control</p> <p>4.7 Exemption and exclusion from consolidation</p> <p>4.8 Preparation of Consolidated Statement of Financial Position (Use the schedule approach)</p> <p>4.9 Treatment of goodwill and bargain purchase on consolidation</p> <p>4.10 Pre-acquisition and post-acquisition reserves</p> <p>4.11 Non-controlling interest</p> <p>4.12 Acquisition of preference share and debentures in subsidiary</p> <p>4.13 Dividend payable (ordinary and preference) out of post-acquisition profit and their adjustments</p> <p>4.14 Debenture interest payable and its adjustment</p> <p>4.15 Adjustment for inter-company balances and transactions (Loans, Current Accounts, Account Receivable and Account Payable, Bills Payable and Bills Receivables, items in transit)</p> <p>4.16 Revaluation of non-current assets and adjustment for depreciation</p> <p>4.17 Sale of intra-group inventories and adjustment of unrealised profit</p> <p>4.18 Sale of intra-group non-current asset and adjustment of unrealised profit and depreciation</p> <p>4.19 Bonus share issued by holding and subsidiary</p>
5	<p>Consolidated Statement of Profit or Loss and Comprehensive income</p> <p>5.1 Preparation of Consolidated Statement of Profit or Loss and Other Comprehensive Income (CSOPL) for prior year and current year acquisition</p> <p>5.2 Preparation of extract Statement of Changes in Equity (CSOCIE) showing the column for group retained profit and non-controlling interest</p> <p>5.3 Adjustment for intra-group transactions for Intra-group dividends, debenture interest, sale of inventories, sale of non-current assets (depreciation adjustment), unrealized profit on sale of inventories (opening inventories and closing inventories), unrealized profit on sale of non-current assets and depreciation.</p>
References:	<p>1. Tan Liong Tong (2019). <i>Financial accounting and reporting in Malaysia</i> (Vol. 1, 7th ed.). Wolters Kluwer. [ISBN:9789671244869]</p> <p>2. Lazar, J. (2018). <i>Company & Group Financial Reporting</i> (9th ed.). Pearson. [ISBN:978-967-349-7]</p>