

Diploma in International Financial Reporting

Finance professionals not already familiar with the principles of International Financial Reporting Standards (IFRS) will be faced with the challenge of developing a working knowledge of IFRS as quickly as possible

The Diploma in International Financial Reporting (DipIFR) is designed to develop your knowledge of IFRS - It providing an understanding of the concepts and principles which underpin them, and their application in the international marketplace.

Who can study for the DipIFR

Professional accountants and auditors, working in practice and industry, who are qualified in accordance with national accounting standards, are eligible to take the qualification. Practitioners who may not yet be qualified, but who can verify that they have three-years' relevant accounting experience through submitting an employer's letter, are also eligible.

The syllabus

All listed countries in the European Union are required to prepare consolidated company accounts in compliance with IFRS. IFRS also affects associates and subsidiaries of EU-listed companies, and with many countries around the world moving towards applying IFRS, the impact of financial reporting is significant.

The diploma programme addresses international financial reporting and first time application of international financial reporting standards.

Syllabus aim

To develop knowledge, understanding and application of International Financial Reporting Standards and the concepts and principles which underpin them.

Objectives

On completion of the Diploma candidates should be able to:

- understand and explain the international regulatory framework of financial reporting
- discuss and apply specified International Accounting Standards and International Financial Reporting Standards to practical situations
- prepare financial statements in accordance with specified International Accounting Standards, International Financial Reporting Standards and International Financial Reporting Interpretations Committee (IFRIC) pronouncements
- prepare group financial statements including subsidiaries, associates and joint ventures.

What is examined

Broad syllabus content:

The key topic area headings are as follows:

- International sources of authority
- Elements of financial statements
- Presentation and additional disclosures
- Preparation of external financial reports for single entities
- Preparation of external financial reports for combined entities and joint ventures.

1. International sources of authority

- a. The structure of the International Accounting Standards Board (IASB)
- b. The standard setting process
- c. The role of the International Financial Reporting Interpretations Committee
- d. Progress towards international harmonisation

- e. The IASB 'Framework for the preparation and presentation of financial statements'
- f. The first time application of International Financial Reporting Standards.

2. Elements of financial statements

- a. Property, plant and equipment
- b. Intangible assets
- c. Goodwill
- d. Current assets including inventories
- e. Construction contracts
- f. Liabilities
- g. Financial instruments
- h. Provisions and contingencies
- i. Employment and post-employment benefits
- j. Accounting for tax
- k. Accounting for agriculture
- l. Share based payment
- m. IFRS 6: Exploration for and evaluation of mineral resources.

3. Presentation and additional disclosures

- a. Events after the balance sheet date
- b. Earnings per share
- c. Related party disclosures
- d. Interim financial reporting
- e. Effects of changes in foreign exchange rates
- f. Segment reporting.

4. Preparation of external financial reports for single entities

- a. Income statements and discontinuing operations
- b. Cash flow statements
- c. Statement of changes in equity.

5. Preparation of external financial reports for combined entities and joint ventures

- a. Definitions of subsidiaries, investments in associates and joint ventures
- b. Exclusions from consolidations
- c. Preparation of consolidated balance sheets and income statements
- d. Equity accounting
- e. Proportionate consolidation and joint ventures.

Excluded topics

The following topics are specifically excluded from the syllabus:

- Partnership and branch financial statements
- Complex group structures, including sub-subsidiaries or mixed groups and foreign subsidiaries
- Piece-meal acquisitions, disposal of subsidiaries and group re-constructions
- Financial statements of banks and similar financial institutions
- Group cash flow statements
- Schemes of reorganisation and reconstruction
- Company/share valuation
- Accounting for insurance entities
- International financial reporting exposure drafts and discussion drafts
- The international public sector perspective

- Multi-employer benefit schemes
- Share-based payment transactions with cash alternatives.

Assessment

DipIFR will be assessed by a single three-hour closed book written exam, which is held twice a year on June and December at ACCA's exam centres. The pass mark is 50%.

The initial registration fee of £150 includes one exam attempt, and covers you for a period of four exam sessions. You are required to attempt the exam at the first or second available exam session following registration.

Resits may be attempted during this period and will be charged at £100 per resit. If you do not successfully complete the DipIFR within the registration period, you will need to re-register and pay the appropriate fee in order to continue.

Examinable documents

A definitive list of examinable documents for the Diploma in International Financial Reporting is issued by ACCA in May and in November each year. These examinable documents apply for the next but one exam session.

For example; examinable documents issued in November 2007 will apply to the June 2008 exam session, whereas the examinable documents issued in May 2008 will apply to the December 2008 exam session. These examinable documents contain International Financial Reporting Standards and IFRICs which apply to the syllabus and study guide for the Diploma in International Financial Reporting and operate under the six month rule whereby documents within this list are assessable in six months following the last day of the month in which this list of documents is issued.

The current list of examinable documents is available in the related documents section.

Exam approach

The exam is a three hour paper in two sections. It contains a mix of computational and discursive elements. Some questions adopt a scenario/case study approach. Section A includes a mainly computational question and Section B contains a mix of computational and discursive questions.

	No of marks
Section A: One compulsory questions (25 marks)	25
Section B: Choice of three from four questions	75

	100
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Additional Information

Candidates need to be aware that questions involving knowledge of new examinable regulations will not be set until at least six months after the last day of the month in which the regulation was issued. The syllabus also includes the first time application of international financial reporting standards.