<table>
<tr><td colspan="2">Annex No. 3</td><td colspan="4">Second Cycle Studies Course Programme</td></tr>
<tr><td>1.</td><td>Course Title</td><td colspan="4">Financial Reporting</td></tr>
<tr><td>2.</td><td>Code</td><td colspan="4">ACC 511</td></tr>
<tr><td>3.</td><td>Study programme</td><td colspan="4">Accounting and auditing</td></tr>
<tr><td>4.</td><td>Organizer of the study programme (university unit i.e., institute, chair, department)</td><td colspan="4">Ss. Cyril and Methodius University in Skopje
Faculty of Economics - Skopje</td></tr>
<tr><td>5.</td><td>Level (first, second, third cycle)</td><td colspan="4">Second cycle</td></tr>
<tr><td>6.</td><td>Academic year / semester</td><td>1 (first year) / 1st (winter semester)</td><td>7.</td><td>Number of ECTS credits</td><td>6</td></tr>
<tr><td>8.</td><td>Professor</td><td colspan="4">Prof. Atanasko Atanasovski, PhD</td></tr>
<tr><td>9.</td><td>Preconditions for enrolment</td><td colspan="4">Completed the first cycle of studies with at least 240 credits.</td></tr>
<tr><td>10.</td><td colspan="5">Course Objectives (Competencies):
After taking this course, students should be competent for:
1. Preparation of complete set of financial statements in accordance with IFRS requirements;
2. Critical analysis, evaluation and selection of IFRS accounting policies for the most significant business transactions;
3. Drafting consolidated financial statements and apply method of full consolidation including equity method for investments in associates;
4. Disclosure of relevant financial information in the notes to the financial statements;
5. Financial statement analysis resulting from information presented and disclosed in the complete set of general purpose financial statements;
6. Evaluation of the quality of accounting and financial reporting through indicators calculated based on the key accounting categories and positions in the financial statements.</td></tr>
<tr><td>11.</td><td colspan="5">Course content:
1. Regulatory framework of financial reporting
• What is a conceptual framework and why is it needed for financial reporting?
• Content of the IASB's conceptual financial reporting framework
• Process of setting standards for financial reporting
2. Presentation of a complete set of financial statements in accordance with IFRS requirements
• Presentation of financial statements in accordance with the requirements of IAS 1
• Statement of financial condition
• Income statement and statement of comprehensive income
• Statement of changes in equity
• Notes to the financial statements
3. Accounting treatment of tangible non-current assets
• Accounting treatment of property, plant and equipment
• Investment property
• Borrowing costs and initial valuation of assets
4. Accounting for government grants and disclosure of government assistance
• What are government grants and types of government assistance from an accounting point of view
• Accounting treatment in recognition of government grants
• Disclosures of government assistance
5. Intangible assets
• Accounting for intangible assets according to IAS 38
• Research and development costs
• What is goodwill and its accounting treatment
6. Impairment of assets
• IAS 36 Guidelines for Recognizing Accounting Impairment of Assets</td></tr>
</table>

	• Cash - generating units • Goodwill and impairment of assets • Accounting treatment of the loss due to impairment of assets **7. Inventories and construction contracts** • Inventory and work in progress according to IAS 2 • Construction contracts (IAS 11) **8. Accounting policies, changes in accounting estimates and errors** • Selection and documentation of accounting policies appropriate to IFRS • Accounting estimates and accounting policies, accounting treatment of changes • Accounting errors, their correction and disclosures for errors in the financial statements **9. Events after the reporting period** • What is the category of events after the reporting period • Adjusting and non-adjusting events • Accounting treatment for events after the reporting period **10. Provisions, contingent liabilities, and contingent assets** • Accounting categories of liabilities and provisions • Types of provisions in the financial statements • Contingent liabilities and contingent assets **11. Accounting for financial instruments** • Introduction and definition of financial instruments • Presentation and disclosure of information about financial instruments • Classification, recognition and measurement of financial instruments **12. Accounting for leases** • Types of lease agreements • Accounting treatment of the lease in the accounting records of the lessee and the lessor • Disclosures of lease information in accordance with IAS 17 **13. Tax accounting** • Current taxes and their presentation in the financial statements • Defining deferred taxes • Taxable temporary differences • Deductible temporary differences **14. Consolidated financial statements** • Introduction to group accounts • Consolidation procedures • Consolidated income statement and statement of comprehensive income • Consolidated balance sheet • Accounting treatment of consolidation goodwill • Intra - group transactions and their consolidation treatment • Fair values in acquisition accounting **15. Accounting for investments in associates** • What are associates • Equity method and its application • Presentation of investments in associates in the financial statements **16. Earnings per share** • Definitions, objective, and scope of IAS 33 Earnings per share • Basic earnings per share • The effect of earnings per share on capital structure • Diluted earnings per share **17. Analysis of financial statements prepared in accordance with IFRS requirements** • Key indicators for financial statement analysis • Analysis of liquidity and indebtedness of companies using indicators • Profitability analysis and return on shareholders' equity • Presentation and interpretation of the analysis results • Some limitations of indicator analysis and interpretation of results

	18. Cash flow statements • Definitions, objective, and scope of IAS 7 Statements of cash flows • Cash flow preparation methods • Interpretation of cash flow statements **19. Accounting and reporting quality analysis** • Earnings management concept • Indicators and categories for evaluating the financial reporting quality • Accruals and their importance in evaluating the accounting quality				
12.	Learning methods: lectures, interactive teaching, quizzes, projects, movies, supported by LCD and PowerPoint.				
13.	Total hours	6 ECTS x 30 hours = 180 hours			
14.	Allocation of hours per activity	24 + 16 + 40 + 10 + 90 = 180 hours			
15.	Types of teaching activates	15.1.	Lectures - theoretical teaching	40 classes	
		15.2.	Exercises (laboratory, auditorium), seminars, teamwork	15 classes	
16.	Other types of activities	16.1.	Project tasks	30 classes	
		16.2.	Independent tasks	40 classes	
		16.3	Homework - assignments	50 classes	
17.	Grading method: 50+40+10=100 points				
	17.1.	Tests	60 %		
	17.2.	Individual work/project (presentation: written and oral)	30 %		
	17.3.	Attendance and class participation	10 %		
18.	Grading scale	less than 60 points	5 (five) (F)		
		from 51 to 68 points	6 (six) (E)		
		from 69 to 76 points	7 (seven) (D)		
		from 77 to 84 points	8 (eight) (C)		
		from 85 to 92 points	9 (nine) (B)		
		from 93 to 100 points	10 (ten) (A)		
19.	Preconditions for taking the final exam	Realized activities from points 15 and 16			
20.	Language	Macedonian (or English)			
21.	Evaluation method	Internal evaluation and survey			
22.	Literature				
	22.1.	Compulsory literature			
		No.	Author	Title	Publisher	Year
		1.	Institute of Certified Auditors of the Republic of Macedonia	Financial Reporting	Institute of Certified Auditors of the Republic of Macedonia	2013
	22.2.	Additional literature			
		No.	Author	Title	Publisher	Year

		1.	Kieso, Weygandt, Warfield,	Intermediate accounting: IFRS edtion, 3ed.	Wiley	2018
		2.	PKF International	Wiley Interpretation and application of IFRS standards	John Wiley and Sons, ltd.	2018
		3.	William R. Scott	Financial Accounting Theory, 7ed.	Pearson Canada Inc.	2015