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IFRS CRASH COURSE
Syntrofia_2022



TRAINING PROGRAM

Module 1 – Assets related IFRS

Session 1 Introduction to an IFRS and The Conceptual Framework for Financial Reporting (2018),

- ✓ An IFRS[®] - some general information on IFRS, IAS, SIC, IFRIC and IASB
- ✓ Process of creating and updating existing IFRS/IAS Purpose and status of 'The Framework...'
- ✓ Objective of general purpose financial statements
- ✓ Underlying assumptions – a going concern and accrual concepts
- ✓ Qualitative characteristics of the information
- ✓ Elements of financial statements
- ✓ Recognition and de-recognition criteria
- ✓ Valuation methods
- ✓ Profit & loss and Other Comprehensive Income

Session 2 IAS 1 'Presentation of Financial Statements',

- ✓ Overall considerations related to a preparation of general purpose financial statements
- ✓ Structure and content of general purpose financial statements
- ✓ Statement of Financial Position (Balance Sheet)
- ✓ Statement of Profit or Loss and Other Comprehensive Income (Income Statement)
- ✓ Statement of Changes in Equity

Session 3 IAS 16 'Property, Plant and Equipment' (PPE)

- ✓ Important definitions
- ✓ Recognition criteria of PPE
- ✓ Initial valuation, including capitalisation of future costs of asset's removal - its decommissioning – which requires recognition of the provision
- ✓ Subsequent expenditure
- ✓ Measurement subsequent to initial recognition
 - Cost model and Revaluation model (fair value)
- ✓ Depreciation including a 'complex asset' concept and approach to its depreciation
- ✓ De-recognition of property, plant and equipment and determination of profit/loss on disposal (including those revalued assets as well)

Session 4 IAS 38 'Intangible Assets'

- ✓ Definitions and recognition criteria for intangible assets
- ✓ Intangibles acquired separately, as part of business combination or by way of government grant
- ✓ Intangibles developed internally:
 - Research phase
 - Development phase
- ✓ Goodwill and its accounting treatment

- ✓ Measurement subsequent to initial recognition
 - Cost model
 - Fair value model
- ✓ Amortization of intangibles including intangibles with indefinite lives

Session 5 IAS 40 'Investment Properties'

- ✓ Definitions
- ✓ Recognition criteria
- ✓ Measurement subsequent to initial recognition
 - Cost model
 - Fair value model
- ✓ Changes of valuation models

Session 6 IAS 23 'Borrowing Costs'

- ✓ Definitions
- ✓ Accounting treatment of borrowing costs
- ✓ Borrowing costs eligible for capitalisation – general and specific borrowings
- ✓ 'Capitalisation rate'
- ✓ A moment of a commencement, a suspension and a cessation of borrowing costs capitalization

Module 2 – Assets/Liabilities related IFRS

Session 1 IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'

- ✓ Definitions
- ✓ 'Held for sale' (HFS) - a classification criteria
- ✓ Measurement of HFS assets
- ✓ Presentation and disclosure
- ✓ Discontinued operations – definition and a specific classification criteria
- ✓ Discontinued operations – IFRS 5 presentation requirements

Session 2 IAS 36 'Impairment of Assets'

- ✓ Definitions
- ✓ Indicators of a potential impairment
- ✓ Recoverable amount
- ✓ Cash-generating units (CGU)
- ✓ Accounting for impairment loss for:
 - Individual assets
 - Assets being part of cash-generating units (CGU)
 - Goodwill
- ✓ Subsequent review and reversal of impairment losses

Session 3 IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'

- ✓ Definitions
- ✓ Provision – a recognition criteria
- ✓ Accounting treatment of contingent assets and contingent liabilities
- ✓ Rules of provisions valuation

- At first recognition
- Valuations of provisions over time
- ✓ Provisions for asset's dismantling costs - an example of perfect cooperation between IAS 16 and IAS 37
- ✓ Provisions for restructuring costs
- ✓ Future operating losses
- ✓ Onerous contracts

Session 4 IAS 10 'Events After the Reporting Period'

- ✓ Definitions
- ✓ Adjusting event – examples and their discussion
- ✓ Non-adjusting event – examples and their discussion
- ✓ Dividends
- ✓ Going concern assumption

Session 5 IFRS 13 Fair Value Measurement

- ✓ Definitions
- ✓ Determination of a fair value for financial items
- ✓ Determinations of a fair value for non-financial items including a concept of 'highest and the best use' of an asset
- ✓ Sources of information to determine a fair value
- ✓ Fair value hierarchy

Session 6 IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

- ✓ Accounting policies and their changes (IAS 8)
- ✓ Changes in accounting estimates (IAS 8)
- ✓ Errors (prior period) and their corrections (IAS 8)

Module 3 – Liabilities and performance related IFRS

Session 1 IFRS '16 Leases'

- ✓ Definitions
- ✓ New approach to recognise lease contracts (both lessee and lessor perspectives)
- ✓ Leases (a lessee perspective)
 - Rules for determining whether the contract contains a lease
 - Valuation of liabilities under a lease contract
 - Valuation of an asset being an entity's right to use an asset in a lease ('Right of Use Asset')
 - Subsequent accounting for lease assets and liabilities
 - Exceptions in using new lease regulations
- ✓ Lessor perspective
 - Classification of leases
 - Finance and operating leases
- ✓ Sale and leaseback transactions - new rules introduced by the IFRS 16, including leaseback agreements, which:
 - meets the criteria for recognition of sales revenue according to IFRS 15; and
 - does not meet the criteria for recognition of sales revenue according to IFRS 15

Session 2 IAS 12 'Income Taxes'

- ✓ Definitions
- ✓ Current tax
- ✓ Deferred taxation
- ✓ Tax bases
- ✓ Temporary differences
- ✓ Recognition of deferred tax assets and liabilities – concept's illustrations and examples of a formation temporary differences
- ✓ Deferred tax reconciliation principles
- ✓ Introduction to deferred tax on a group level
- ✓ New Exposure Draft - ED/2019/5 on deferred tax related to assets and liabilities arising from single transaction

Session 3 IFRS 15 'Revenue from contracts with customers'

- ✓ Definitions and discussion of a so-called 'Five Steps model' used in recognition of a revenue
- ✓ Sales contract as a key aspect of revenue recognition
- ✓ Identification of contractual obligations of parties in a given sales contract
- ✓ Determination of a price / value of the entire contract, including its various elements discussed by IFRS 15
- ✓ A method of allocation of sales price to a seller's contractual obligations
- ✓ A revenue recognition with a performance obligations satisfied:
 - Over time
 - At a point in time
- ✓ Discussion on most important examples of sales transactions mentioned in IFRS 15, including:
 - Consignment sales
 - Bill and hold sales
 - Sell and return transactions
 - Principal vs Agent

Session 4 IFRS 8 'Operating Segments'

- ✓ Scope of the standard and definitions
- ✓ 'Chief operating decision maker' (CODM) – a concept that has changed a reporting of operating segments in financial statements
- ✓ Operating segments – a selection criteria of reportable segments (a "10% // 75% test")
- ✓ Disclosures required by IFRS 8

Module 4 – Financial instruments, share based payments and employee benefits

Session 1 IAS 32 'Financial Instruments – presentation' and IFRS 9 'Financial Instruments'

- ✓ Scope of standards and key definitions
- ✓ Presentation of financial instruments at the time of their issue by an entity
- ✓ New classification of financial assets in accordance with IFRS 9
 - Amortised cost
 - Fair Value through Profit/Loss (FVTPL)

- Fair value through Other Comprehensive Income(FVTOCI)
- ✓ Classification of financial liabilities according to IFRS 9
- ✓ Recognition and measurement of financial instruments in the company's books, including recognition of costs relating to financial instruments, depending on their classification
- ✓ De-recognition of financial assets and liabilities
- ✓ Compound instruments (eg bonds convertible into shares) and a method of their accounting treatment
- ✓ Derivatives and hedging operations (a basic information)
- ✓ Hedge accounting:
 - Fair value hedge
 - Cash flow hedge

Session 2 IFRS 2 Share Based Payment

- ✓ Scope
- ✓ Definitions
- ✓ Recognition of share based payment transactions
- ✓ Types of share based payment transactions including:
 - Equity settled share based payments, which will result in an issuance of a equity instrument
 - Payments expressed in shares, which will result in cash payments
- ✓ Valuation of the above types of share based payment transactions initially and subsequently
- ✓ Modifications of share based payment schemes

Session 3 IAS 19 'Employee benefits'

- ✓ Scope
- ✓ Definitions
- ✓ Employment related benefits:
 - Short term benefits – wages, bonuses, sick leave, benefits for unused vacations,
 - Long term ones and termination benefits
- ✓ Post employment benefits including:
 - Defined contribution schemes/plans –features and accounting for such plans
 - Defined benefits schemes/plans –features and accounting for such plans including impact of such plans on statement of financial position, profit or loss and other comprehensive income
 - Actuarial assumptions and their changes during a period – new way of accounting for such changes per updated IAS 19.
 - Comprehensive example of IAS 19 application to both defined benefits and defined contribution plans.

Module 5 – Consolidations related IFRS

Session 1 Consolidated statement of financial position (acquisition accounting) – IFRS 10

‘Consolidated Financial Statements’ and IFRS 3 ‘Business Combinations’

- ✓ Background information to group accounting
- ✓ Introduction to both IFRS 3 ‘Business Combinations’ and IFRS 10 “Consolidated Financial Statements”
- ✓ Parent, subsidiary and a new shape of a concept of control
- ✓ Consolidation technique using acquisition accounting method
- ✓ Goodwill
- ✓ Post acquisition growth in reserves
- ✓ Non-controlling interest
- ✓ Accounting for goodwill both positive and ‘bargain purchase’ (negative goodwill)
- ✓ Inter-company balances
- ✓ Unrealised profits:
 - Inventory
 - Non-current assets transferred
- ✓ Fair value accounting of subsidiary’s net assets at the date of acquisition
- ✓ An accounting for purchase consideration covering:
 - Shares exchange
 - Deferred consideration
 - Contingent consideration

Session 2 Consolidated Statement of Comprehensive Income (acquisition accounting), IFRS 10

‘Consolidated Financial Statements’

- ✓ Basic information on technique of preparing consolidated Statement of Comprehensive Income (Income Statement)
- ✓ Consolidation technique:
 - Elimination of intercompany trading results within a group
 - Unrealised profits elimination technique (inventory, non-current assets transferred)
 - Dividend income from a subsidiary
 - Goodwill impairment loss recognition
 - Accounting for a subsidiary acquired mid-year
 - Calculation of a consolidated profit/loss and comprehensive income and their distribution between the parent’s owners and non-controlling interest

Session 3 IAS 28 'Investments in associates and joint ventures'

- ✓ Associate, a significant influence and other concepts' definitions
- ✓ Indicators of a significant influence
- ✓ Equity method of consolidation of investments in associates and joint ventures and its use in:
 - Consolidated statement of financial position
 - Consolidated statement of profit/loss and other comprehensive income

Session 4 – IFRS 11 'Joint arrangements'

- ✓ Joint arrangement, a joint control and other concepts' definitions
- ✓ Joint operations – definition of it and accounting for such arrangements
- ✓ Joint ventures – definition of it and accounting for such arrangements
- ✓ Equity method of consolidation of investments in joint ventures.

Module 6 – Most advanced group related IFRS

Session 1 More advanced elements of consolidation process

- ✓ Changes in a group structure covering:
 - Step acquisitions covering both control being obtained and control retained
 - Disposals covering both control loss and control retained
 - Calculation of profit/loss on disposal (control lost) both from the group perspective and also investor's individual perspective

Session 2 IAS 21 'Effects of changes in foreign exchange rates'

- ✓ Basic information on an accounting treatment of foreign currency transactions arising on a single company level including:
 - Those transactions terminating within an accounting period, and
 - Those outstanding at the end of reporting period
 - Accounting for foreign exchange gains/losses in such cases
- ✓ Basic information on an accounting for consolidation of a foreign subsidiary:
 - Translation of foreign subsidiary's net assets and income statement items into functional currency of a group
 - Goodwill calculation and its translation both a date of acquisition of a foreign subsidiary and over time.
 - Foreign exchange gains/losses arising on goodwill and net assets of foreign subsidiary and accounting for them per IAS 21.

Session 3 IAS 7 'Statement of cash flows' – issues related to a preparation of a consolidated statement of cash flows

- ✓ Areas of cash flows arising on a group level and technique of their determination
 - Dividends paid to non controlling shareholders
 - Dividends collected from associates and joint ventures
 - Acquisitions and disposals within a group and their impact of the group cash flows

KEYNOTE SPEAKER

DARIUSZ BARGIEŁ, FCCA, IFRS & ACCA lecturer

Specialized in financial accounting, IFRS, IAS, and financial reporting trainings.

Dariusz studied finance and Accounting in Poland and Great Britain, where he obtained Master degree. Besides academic title, Dariusz is also a member of prestigious British association ACCA (Association of Chartered Certified Accountant). Professional ACCA authority was gained in 1999. Since last year he is a marker for F7 Financial Reporting ACCA exam.

In 1996 he started working for Deloitte & Touche, where as a senior auditor he was responsible for examination of financial reports. Thanks to his lecturing skills discovered during Deloitte & Touche seminars, he decided to start professional lecturer career.

Dariusz Bargiel has perfect command of English. Therefore, his lectures can be conducted in both Polish and English. Additionally, Dariusz presents amazing interpersonal and teaching skills, that have been evaluated many times by attendants of his courses.

BENEFITS

- ✓ Be able to advise on the application of IFRS,
- ✓ Know how to prepare basic consolidated financial statements,
- ✓ Be able to interpret IFRS standards and apply them in a specific work environment,
- ✓ Have the ability to develop themselves further in the complex area of international accounting.

FEEDBACK ON THE TRAINING

- ✓ Very useful and well organized training, fulfilled my expectations,
- ✓ A big plus for the theory supported by many examples,
- ✓ Very nice training. Rich topics, great presenter,
- ✓ I am very impressed with the trainer who, during this on-line training, managed to keep my attention on the topics discussed.

TRAINING DETAILS

DURATION: 1 module – 1 training day
Full course – 6 training days

DATE: Module 1 - 14th March 2022
Module 2 - 15th March 2022
Module 3 - 21st March 2022
Module 4 - 22nd March 2022
Module 5 - 25th March 2022
Module 6 - 28th March 2022

TIME: 08:30 am – 03:00 pm

LANGUAGE: English

PLACE: ZOOM Meeting platform

PRICE: 175 GBP + VAT / per module
840 GBP + VAT / full training

For registration until 18th of February:

- ✓ **10%** – individual discount
- ✓ **15%** – group discount – 2 people or more

Price includes:

- ✓ Workshop with professional expert,
- ✓ Training materials for participants,
- ✓ Administration service,
- ✓ Certificate of attendance for participants,
- ✓ Evaluation of participants needs and course adjustment.