

	<b>OUTCOMES / TOPICS</b>
	The examinee must be able to:
<b>1.0</b>	<b>Partnership Accounting</b>
	1.1 Nature, Scope and Objectives 1.1.1 Describe the nature, scope and objectives of partnership accounting and conceptually differentiate it from single proprietorship and corporation accounting 1.1.2 Describe the concepts, principles, rules, practices and procedures applicable in partnership accounting
	1.2 Formation of Partnership 1.2.1 Compute and account for the initial capital contribution of the partners in the partnership
	1.3 Operations, Dissolutions, and/or Changes in Ownership of Interest of the Partners 1.3.1 Compute, account and allocate the changes in the capital balances of the partners as a result of the operations and/or changes in the composition of the partners
	1.4 Liquidation of Partnership 1.4.1 Compute the amount of settlement to the partners after liquidating the partnership under (a) lump-sum liquidation or (b) installment liquidation
<b>2.0</b>	<b>Corporate Liquidation</b>
	2.1 Determine the order of priority of the claimants to the company assets of corporation subject to liquidation 2.2 Prepare the Statement of Affairs, Statement of Deficiency and Statement of Realization and Liquidation
<b>3.0</b>	<b>Joint Arrangements (PFRS 11)</b>
	3.1 Joint Operations 3.1.1 Describe the nature and scope of joint operations 3.1.2 Differentiate from Joint Venture and Business Combinations 3.1.3 Apply the standards, principles and methods in accounting for joint operations transactions
	3.2 Joint Venture 3.2.1 Describe the nature and scope of joint ventures 3.2.2 Differentiate from Joint Venture and Business Combinations 3.2.3 Apply the standards, principles and methods in accounting for joint venture transactions
<b>4.0</b>	<b>Revenue Recognition</b>
	4.1 Installment Sales 4.1.1 Determine the point of revenue recognition under installment sales 4.1.2 Compute the gross profit rate and account for the realized gross profit for each year of sales and the deferred gross account balance at the end of the year 4.1.3 Compute the Gain or Loss of Repossession to be recorded or recognized
	4.2 Long-term Construction Contracts - IAS 11/PFRS 15 4.2.1 Prepare journal entries and determine revenue, costs and gross profit under (a) Percentage of completion method and (b) Cost recovery method 4.2.2 Apply the pertinent PFRS Standards to ensure proper financial statement presentation
	4.3 Franchise Operations - Franchisor's point of view - IAS 18 / IFRS 15 4.3.1 Determine revenue, costs and gross profit and apply accounting techniques and

	<p>procedures in processing franchise fee and related franchise transactions</p> <p>4.3.2 Prepare journal entries for franchise transactions</p>
	<p>4.4 Accounting for Consignment Sales</p> <p>4.4.1 Prepare journal entries to record sale of merchandise by the consignee to third parties and its remittance to the consignor</p> <p>4.4.2 Determine the consignor's cost of goods sold and profit or loss</p>
<b>5.0</b>	<b>Accounting for Home Office, Branch and Agency Transactions</b>
	<p>5.1 Compute and reconcile reciprocal accounts and prepare individual and combined financial statements</p> <p>5.2 Prepare journal entries for transactions on the books of the Home Office and the Branch</p> <p>5.3 Account for special procedures in home office and branch transactions (inter-branch transfer of cash and merchandise at cost and at billed price)</p>
<b>6.0</b>	<b>Accounting for Business Combination (PFRS 3)</b>
	<p>6.1 Describe the nature, scope and characteristics of a business combination</p> <p>6.2 Determine the cost of acquisition of the acquirer</p> <p>6.3 Recognize acquired assets and liabilities, compute goodwill or gain from a bargain purchase</p> <p>6.4 Prepare journal entries in the books of the acquirer</p> <p>6.5 Ascertain the proper financial statement presentation of the results of business combinations transaction</p>
<b>7.0</b>	<b>Separate Financial Statement (PAS 27)</b>
	<p>7.1 Determine and apply accounting for Investment in Subsidiary in accordance with PAS 39/PFRS 9</p> <p>7.2 Determine and apply accounting for investment in subsidiary using the equity method</p> <p>7.3 Ascertain the proper financial statement presentation of the separate financial statements</p>
<b>8.0</b>	<b>Consolidated Financial Statements (PFRS 10)</b>
	<p>8.1 Determine the nature, scope and application of preparation of consolidated financial statements (At cost, in accordance with PAS 39, and equity method)</p> <p>8.2 Account for intercompany profits in inventories and plant assets</p> <p>8.3 Determine net income, other comprehensive income, and retained earnings / common stock attributable to Equity Holders of Parent / Controlling or Parent's Interest and, Consolidated group</p> <p>8.4 Ascertain the proper presentation of the consolidated financial statements</p>
<b>9.0</b>	<b>Foreign Currency Transactions</b>
	<p>9.1 Identify the applicable rate for foreign currency transactions and hedging operations</p> <p>9.2 Determine the gain or loss on foreign currency transactions and hedging operations</p> <p>9.3 Ascertain the proper financial statement presentation on the foreign currency transactions and hedging operations</p> <p>9.4 Account for foreign currency forward contracts where hedge accounting is required or not required</p>
<b>10.0</b>	<b>Transaction of Foreign Currency Financial Statements (PAS 21 / PAS 29)</b>
	<p>10.1 Translate from the Functional Currency to the Presentation Currency</p> <p>10.2 Remeasure from a Foreign Currency to the Functional Currency</p> <p>10.3 Restate and ascertain the proper financial statements (Functional Currency is the currency of a hyperinflationary economy)</p>
<b>11.0</b>	<b>Not-for-Profit Organizations</b>
	<p>11.1 Describe the nature of business transactions and account financial reporting implications of:</p> <p>11.1.1 Voluntary health and welfare organizations (VWHO)</p> <p>11.1.2 Hospitals and other health care organizations</p> <p>11.1.3 Colleges and Universities</p> <p>11.1.4 Other not-for-profit organizations such as churches, museums, fraternity, association, etc.</p>
<b>12.0</b>	<b>Government Accounting - General Fund</b>
	<p>12.1 Describe the basic concepts in Government Accounting and its budget process</p> <p>12.2 Prepare Journal entries (Books of National Government Agency)</p>

<b>13.0</b>	<b>Other Special Topics</b>
	13.1 Account for insurance contracts by insurers (PFRS 4) 13.2 Account for build, operate and transfer (IFRIC 12) 13.3 Account and record business transactions applying the IFRS for SMEs
<b>14.0</b>	<b>Cost Accounting</b>
	14.1 Job Order Costing 14.1.1 Record transactions using job order costing procedures 14.1.2 Compute Cost of Goods Manufactured and Sold 14.1.3 Account for spoiled units and rework costs 14.1.4 Allocate service department costs
	14.2 Process Costing System 14.2.1 Determine cost of production under FIFO and Weighted Average Method 14.2.2 Account for spoilage (lost units) both for normal and abnormal spoilage
	14.3 Backflush / JIT Costing System 14.3.1 Apply Just-in-Time costing system 14.3.2 Compute the amount of materials to be backflushed from RIP to finished goods 14.3.3 Prepare the journal entries
	14.4 Activity Based Costing System 14.4.1 Apply Activity Based Costing System 14.4.2 Compute total manufacturing cost and cost per unit using ABC
	14.5 Joint and By-Products 14.5.1 Compute and allocate joint (common) costs at the point of split-off 14.5.2 Account for costs after split-off 14.5.3 Determine total cost and gross profit 14.5.4 Compute and account for by-products 14.5.5 Allocate joint costs to products using market-value at split-off approach, net realizable value method, production output method and weighted average method 14.5.6 Prepare journal entries
	14.6 Standard Costing 14.6.1 Compute Direct Materials, Direct Labor and Factory overhead using Standard Costing 14.6.2 Account for the Variance of Applied vs Actual Cost of Direct Materials, Labor and Factory overhead 14.6.3 Prepare journal entries using standard costing
	14.7 Service Cost Allocation 14.7.1 Allocate service department costs using (a) direct method, (b) step-down method and (c) reciprocal method
<b>15.0</b>	<b>Updates on Special Concerns</b>
	15.1 Globalization 15.2 Digital and Information Technology 15.3 Governance and Ethics 15.4 Regulatory Requirements and Considerations 15.5 Effective Business Communication
	<b>TOTAL</b>

**TABLE OF SPECIFICATIONS**  
**FINANCIAL ACCOUNTING AND REPORTING**  
 EFFECTIVE MAY 2019 EXAMINATION

		QUALIFICATION DESCRIPTORS				
		KNOWLEDGE, SKILLS, VALUES (30%)		APPLICATION (50%)	DEGREE OF INDEPENDENT (20%)	
Weight	No. of Items	Remembering	Understanding	Application	Analyzing	Evaluating
11.43%	8	1	1	4	1	1
5.71%	4		1	2	1	
5.71%	4		1	2	1	
14.29%	10	1	1	6	1	1

5.71%	4		1	2	1	
5.71%	4		1	2	1	
5.71%	4		1	2	1	
5.71%	4		1	2	1	
5.71%	4		1	2	1	
4.29%	3		1	2		
2.86%	2		1	1		
2.86%	2		1	1		

<b>2.86%</b>	<b>2</b>	<b>1</b>	<b>1</b>			
<b>14.29%</b>	<b>10</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>1</b>
<b>7.14%</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>2</b>		
		<b>5</b>	<b>16</b>	<b>35</b>	<b>11</b>	<b>3</b>
<b>100%</b>	<b>70</b>	<b>21</b>		<b>35</b>	<b>14</b>	







