



Financial Accounting (FA)

Diploma in accounting and business

Pocket Notes

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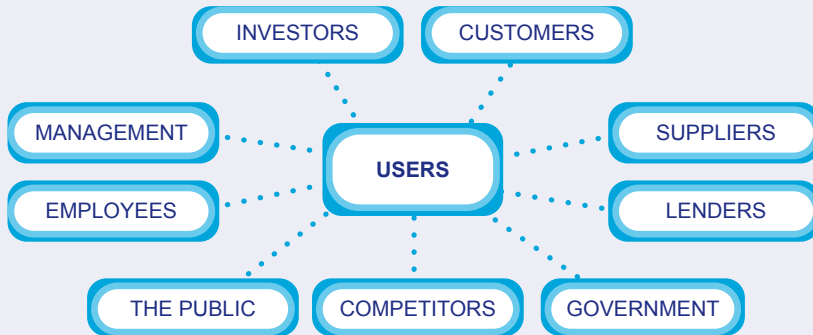
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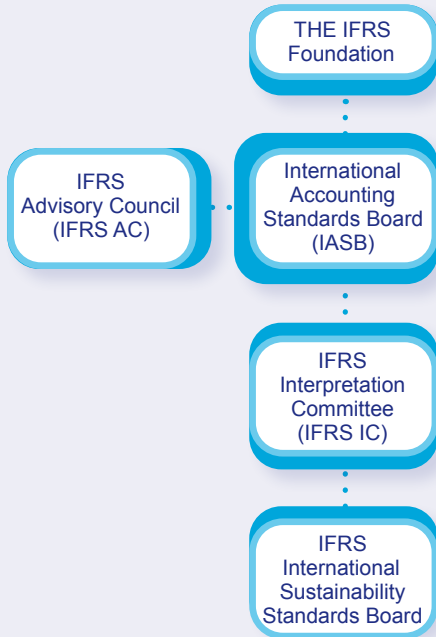
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This document references IFRS® Standards and IAS® Standards, which are authored by the International Accounting Standards Board (the Board), and published in the 2022 IFRS Standards Red Book.

Users of financial statements



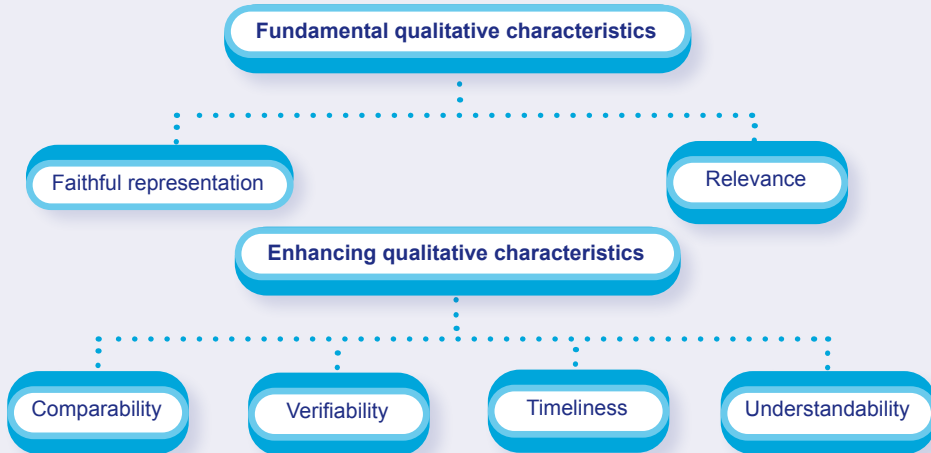


- The **International Accounting Standards Board (IASB)** is responsible for developing and issuing new International Financial Reporting Standards.
- The **IFRS IC** issues rapid guidance where there are differing interpretations of IASs/IFRSs.
- The **IFRS AC** advises the IASB in developing new standards.
- The **IFRS ISSB** was formed with the objective to produce comprehensive sustainability-related disclosure standards.

Qualitative characteristics of useful financial information

Definition

Qualitative characteristics of financial information are the qualities that make the information useful to its users. The IASB's Framework identifies two fundamental qualitative characteristics and four enhancing qualitative characteristics.

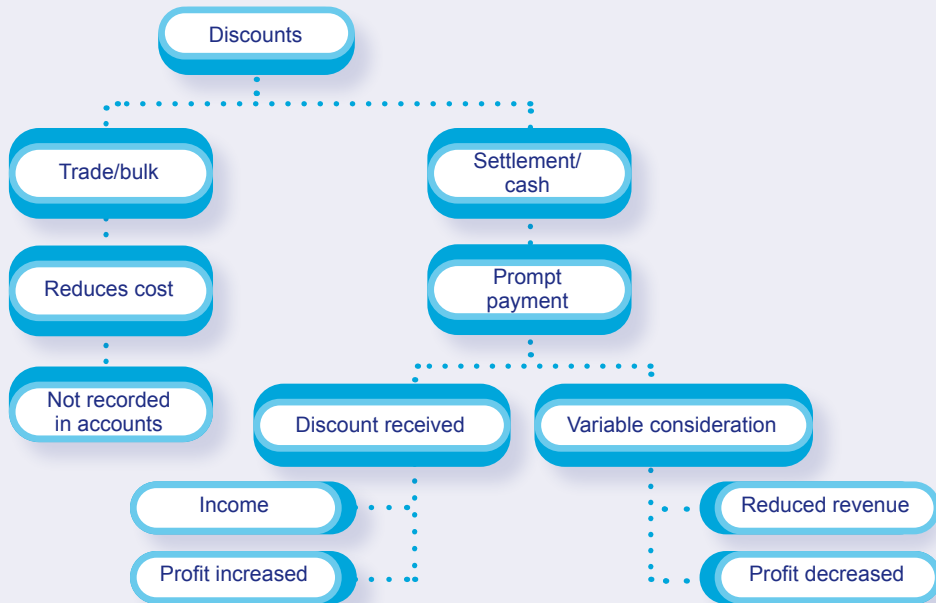


Stages of accounting

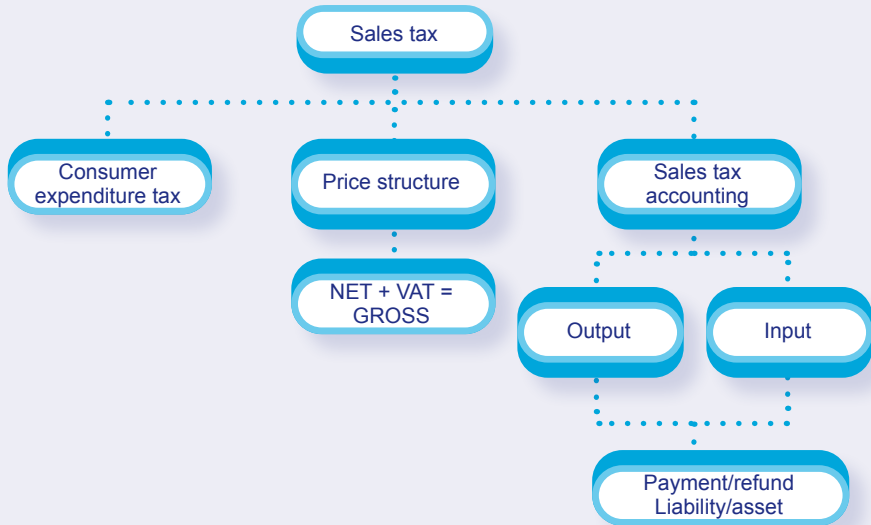


General ledger	Receivables/sales and payables/purchases ledgers
<p>Contains all the double entry accounts – i.e. asset, liability, income and expense accounts.</p> <p>Includes accounts receivable and accounts payable accounts. These are ledger accounts which summarise a large number of transactions.</p>	<p>Subsidiary or memorandum ledgers which record detailed transactions and allow staff to identify individual supplier (payable) and customer (receivable) balances. They are separate from the general ledger and are not usually part of the double entry. They are basically a list of outstanding amounts due to/from the company that can be used to schedule payments and chase unpaid debts.</p>

Discounts



Sales tax





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