



The
Insurance Institute
Of Ireland

PROMOTING PROFESSIONALISM SINCE 1885

FIN – AN INTRODUCTION TO FINANCIAL ACCOUNTING INFORMATION

SYLLABUS 2008

Introduction:

This module introduces candidates to accounting information and how the users of accounts have different needs. It also introduces the different types of business organisation and how the financial information required differs depending on business organisation types. This module deals with the fundamental principles of accounting and reporting and the concepts underlying the preparation of accounts. Candidates will be introduced to the primary financial statements – Profit and Loss Account, Balance Sheet and Cash Flow Statement. Candidates will learn how to usefully interpret financial statements from one period to the next and between entities. It also introduces candidates to the requirement to conduct an audit and to the contents of the audit report.

Indicative Learning Outcomes:

On completion of this module candidates should be able to:

- Demonstrate an understanding of the accounting information needs of various users of financial information.
- Explain the regulatory environment in which financial statements are prepared.
- Describe the three principle types of business organisation
- Explain the differences between them
- Compare and contrast the reporting requirements and advantages of each type of business organisation
- Understand the main concepts, conventions and fundamentals under which financial statements are prepared.
- Identify the nature and function of the books of prime entry.
- Describe the double entry system, and the book keeping rules for an asset, liability, expense, revenue and capital
- Demonstrate an ability to extract a trial balance form a series of entries
- Understand the informational content of the trading, profit and loss account, the Balance Sheet and the Cash Flow Statement
- Prepare a Trading, Profit & Loss Account & Balance Sheet
- Prepare and interpret a cash flow Statement

- Calculate accounting ratios and analyse a set of accounts using financial ratios
- Appraise the viability and quality of a business using accounting ratios
- Criticize the usefulness of accounting ratios and an analytical tool
- Recognize the company law requirements for carrying out an annual audit
- Interpret an audit report
- Distinguish between the role of the accountant and the role of the auditor
- Differentiate between the role and function of the internal and external auditor

Syllabus Outline (this is a summary of the syllabus and not a full statement of content):

- Accounting Information
- Users of accounts and their needs
- Fundamental principles and concepts of accounts and reporting
- Primary Financial Statements
 - Profit & Loss
 - Balance Sheet
 - Cash Flow
- Interpretation
- Audit Reporting