

Course Number	ACFN 232	
Course Title	Intermediate Financial Accounting II	
ECTS	6	
Credit Hours	4	
Course Objectives & Competences to be Acquired	This course is the continuation of Intermediate Financial Accounting I. Upon completion of this course, students will be able to: • Explain the recognition, valuation and disposition of plant, property and equipment; • Describe the nature of current liabilities, provisions, and contingencies and their respective accounting and reporting treatments; • Explain the recognition and valuation of intangible assets; • Discuss the nature, valuation, recognition and presentation of investments in financial assets; • Discuss the accounting and reporting for transactions related to the components of shareholders' equity; • Discuss the nature and accounting treatment of leases and pensions; • Demonstrate the ability to apply disclosure requirements pertaining to the financial statement items covered in this course; and • Demonstrate the ability to exercise professional and ethical judgment in the application of the proper accounting and reporting methods.	
Course Description	This course is the continuation of Intermediate Financial Accounting I. It is one of the core accounting courses offered by the department. Like the first part, it basically deals with the application of financial accounting theory for business organizations. It also tries to introduce students with the financial accounting applications in the Ethiopian business environment. The course includes topics, namely, plant, property, and equipment; Intangible assets; investments; current and non-current liabilities; leases; statement of cash flows; and pension.	
WEEKS	Course Contents	
2 WEEKS {1 ST &2 ND }	1. Current Liabilities, Provisions, and Contingencies 1.1. Nature and types of current liabilities 1.2. Recognition and measurement of provisions 1.3. Contingencies 1.4. Presentation of current liabilities	
2 WEEKS {3 RD & 4 TH }	2. Non-Current Liabilities 2.1. Nature and classifications of non-current liabilities 2.2. Recognition and valuation of bonds 2.3. Extinguishments	
3 WEEKS {5 TH , 6 TH & 7 TH }	3. Investments 3.1. Nature and classification of investments 3.2. Accounting for debt investments 3.3. Accounting for equity investments 3.4. Impairment of value 3.5. Transfer between categories	

1 WEEK {8TH}	4. Leases 7.1 The leasing environment 7.2 Classifications of lease 7.3 Overview of Ethiopian lease business law 7.4 Accounting by the lessee 7.5 Accounting by the lessor 7.6 Special accounting problems	
2 WEEKS {9TH&10TH}	5. Deferred Taxation 5.1. Accounting income versus taxable income 5.2. Recap of temporary versus permanent differences 5.3. Deferred tax liabilities versus deferred tax assets 5.4. Tax losses carried forward 5.5. Disclosures	
2 WEEKS {11TH & 12TH}	6. Revenue recognition 6.1. Revenue recognition framework 6.2. Long-term construction contracts 6.2.1. Overview of Ethiopian construction sector 6.2.2. Basic terminologies in construction contracts 6.2.3. Revenue recognition	
1 WEEK {13TH}	7. Accounting Policies, Changes in Accounting Estimates and Errors 7.1. Treatment of changes in accounting policy 7.2. Treatment of changes in accounting estimates 7.3. Treatment of changes in errors	
2 WEEKS {14TH & 15TH}	8. Statement of cash flows 9.1. Usefulness of the statement 9.2. Preparation of the statement 9.3. Significant non-cash financing and investing activities	
1 WEEK {16TH}	9. Agricultural accounting 9.1. Basic terminologies in agricultural accounting 9.2. Recognition and measurement of agricultural produces 9.3. Reporting and disclosure requirements	

Assessment/Evaluation	The evaluation scheme will be as follows:		
	Component	Weight	coverage
	Attendance & class PP	5%	80% of class
	Test 1	15%	Chapter 1 & 2
	Test 2	15%	Chapter 3 & 4
	Individual Assignment	15%	Chapter 5&6
	Final Exam	50%	All chapters
Text and reference books		<u>Text Book:</u> • Kieso, D. E., Weygandt, J. J., & Warfield, T. W. (2016). Intermediate Accounting, IFRS Edition, New York: John Willey & Sons. <u>Reference books</u> • Commercial Code of Ethiopia • Ernst & Young LLP (2016), International GAAP, John Wiley & Sons Ltd. • www.ifrs.org • IFRS Blue Book	