

Course 1405 IFRS Preparation of Cashflow Statements Under IAS 7

Course Summary

This one-day course is a guide through the technical issues involved in preparing and analyzing the statement of cash flows under IFRS, with a comparison to US GAAP requirements. The program is intended for both preparers and users of financial statements. The course covers, through the use of case studies and real-world financial statements: Purpose of the statement of cash flows | Reporting requirements and entity applicability | Format of the statement (operating, investing, financing sections) | Cash and cash equivalents (definition, policy requirements) | Treatment of bank overdrafts | Presentation methods (direct & indirect) | Gross and net cash flows (criteria and guidelines for netting) | Classifying cash flows | Allowable alternative treatments (dividends, interest, taxes) | Treatment of foreign currency cash flows | Non-cash investing and financing activities | Asset-related government grants | Cash flows from investments in subsidiaries, associates and joint ventures | Acquisitions and disposals of subsidiaries and other business units | Reporting discontinued operations cash flows | Interim cash flow reporting | Disclosure requirements.

Introduction

The primary purpose of the statement of cash flows is to explain the change in an entity's cash and cash equivalents during a period. The statement is one of the basic financial statements and provides users with a basis to assess the entity's ability to generate cash and its cash needs. Because the other financial statements are prepared on an accrual basis, information about the entity's underlying cash inflows and outflows is not apparent from the income statement or balance sheet. Therefore, the statement of cash flows presents important information that is not available from other financial statements. For most entities a statement of cash flows is required as part of a full set of financial statements.

Cash flow statements have recently been the subject of SEC reclassifications, making accurate presentation of the statement vitally important for companies that are publicly listed in the US and for those that intend to become listed. In addition to publicly-listed entities, this course is also important for firms that are transitioning between national GAAP, IFRS and US GAAP.

This one-day course is designed to provide step-by-step guidance through the important technical issues involved in preparing and analyzing the statement of cash flows, including applications responding to the SEC's most recent notifications. Our expert instructors explain the proper methodology clearly and simply and provide real-world examples.

The course answers questions such as:

- o What are cash flow reporting requirements?
- o What are the differences between IFRS and US GAAP cash flow statements?
- o How are the direct and indirect reporting methods applied?
- o How are non-cash financing and investing transactions reported?
- o Where do cash flows from investments in subsidiaries, associates and joint ventures appear on the cash flow statement?
- o What disclosures are required?

Prerequisites

Understanding of basic accounting principles and financial statement reports based on any national standards.
No advance preparation is required for this course.

Course Level

Basic

Topics

- o Purpose of the Statement of Cash Flows
- o Reporting Requirements and Entity Applicability
- o Format of the Statement - Sections and Content
 - o Operating
 - o Investing
 - o Financing
- o Cash and Cash Equivalents
 - o Definition
 - o Policy requirements
- o Treatment of Bank Overdrafts
- o Presentation Methods
 - o Direct
 - o Indirect
- o Gross and Net Cash Flows
 - o Criteria
 - o Guidelines for netting
- o Classifying Cash Flows
- o Allowable Alternative Treatments
 - o Dividends
 - o Interest
 - o Taxes
- o Treatment of Foreign Currency Cash Flows
- o Non-cash Investing and Financing Activities
- o Asset-related Government Grants
- o Cash flows from Investments in Subsidiaries, Associates and Joint Ventures
- o Acquisitions and Disposals of Subsidiaries and Other Business Units
- o Reporting Discontinued Operations Cash Flows
- o Interim Cash Flow Reporting
- o Disclosure Requirements

Course Benefits

- o Understand IFRS and US GAAP cash flow reporting requirements
- o Know how to use the direct and indirect methods for reporting operating activities
- o Comply with non-cash investing and financing transaction requirements

- o Recognize the components of cash and cash equivalents, including related policy requirements and the treatment of changes in policy
- o Identify cash flows that may be presented on a net basis
- o Evaluate allowable alternative treatments for dividends, interest, taxes
- o Appreciate the differences between IFRS and US GAAP presentation requirements
- o Implement the appropriate treatment for cash flows from investments in subsidiaries, associates and joint ventures
- o Accurately report discontinued operations cash flows
- o Comprehend interim cash flow reporting rules
- o Determine cash-flow related disclosure requirements

Teaching Method

- o Live group instruction
- o Review of the preparation and analysis of cash flow statements
- o Description and explanation of IFRS and US GAAP technical requirements in clear and simple language
- o Use of case studies and real-world examples to illustrate practical application of the standards
- o Interactive participation is encouraged
- o All participants receive a comprehensive binder containing copies of the presentation slides, handouts and other course materials

Continuing Professional Education (CPE)

8 hours

Venue

All of our Dubai seminars take place in 4 star professional conference facilities, usually in city-centre downtown hotels like the Marriott, Sheraton or Hilton brands.

Detailed Joining Instructions are sent to all registered delegates by email approximately one month before the event. The Joining Instructions will confirm exact venue details and nearby (or onsite) hotel recommendations with bedroom rates where available.

Coffee and lunch will be provided.

Related courses

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Booking Information

Duration (days): 1

Location: Dubai

Available dates

Instructor(s)

For more information, please visit <http://www.iaseminars.com/en/event/?Code=1405&VenueID=21>