

# ACCA Diploma in Financial and Management Accounting (RQF Level 3)

**FA2**

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## **Maintaining Financial Records**

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**EXAM KIT**

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# INTRODUCTION

Packed with questions, this book will help you to successfully prepare for your examination.

- All questions are grouped by syllabus topics.
- Objective test questions are of exam standard and format – this enables you to master the examination techniques.

The exam kit begins with some short revision questions to ensure you will get the most from the exam standard questions when you attempt them. Start by attempting the revision questions. Marks are given as an indication of the difficulty of the question.

When you have completed section 1, revision questions, and you have revised any areas of difficulty as highlighted by this exercise, you may attempt section 2 comprising objective test questions.

For further information about the FA2 examination please refer to ACCA website:

[www.accaglobal.com](http://www.accaglobal.com)

## ENHANCEMENTS

We have added the following enhancement to the answers in this exam kit:



### ***Tutorial note***

Some answers include tutorial notes to explain some of the technical points in more detail.

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# SYLLABUS AND REVISION GUIDANCE

## SYLLABUS CONTENT

FA2 *Maintaining Financial Records* introduces the fundamental principles of accounting and develops the knowledge and understanding required to maintain accounting records. You will learn to produce accounting records, extract a trial balance and make necessary adjustments to produce an extended trial balance and basic financial statements. The syllabus covers accounting for the business transactions of sole traders and partnerships.

### A **GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND CONCEPTS**

#### 1 **The key accounting principles and characteristics**

- (a) Explain the accounting principles of accounting.
  - (i) Going concern
  - (ii) Accruals
  - (iii) Consistency
  - (iv) Double entry
  - (v) Business entity concept
  - (vi) Materiality
  - (vii) Historical cost
  - (viii) prudence
- (b) Explain the qualitative accounting characteristics relating to.
  - (i) Relevance
  - (ii) Faithful representation
  - (iii) Comparability
  - (iv) Verifiability
  - (v) Timeliness
  - (vi) Understandability

#### 2 **Maintaining financial records**

- (a) Explain the importance of maintaining financial records for internal and external use.
- (b) Describe the type of accounting records that a business should maintain and the main uses of each.

#### 3 **The regulatory framework**

- (a) Describe the main requirements of accounting standards in relation to syllabus area D.