

# 61434 - Consolidation of Financial Statements

## Syllabus Information

**Academic Year:** 2020/21

**Subject:** 61434 - Consolidation of Financial Statements

**Faculty / School:** 109 - Facultad de Economía y Empresa

**Degree:** 526 - Master's in Accounting and Finance

**ECTS:** 4.0

**Year:** 1

**Semester:** Second semester

**Subject Type:** Optional

**Module:** ---

## 1.General information

### 1.1.Aims of the course

### 1.2.Context and importance of this course in the degree

### 1.3.Recommendations to take this course

## 2.Learning goals

### 2.1.Competences

### 2.2.Learning goals

### 2.3.Importance of learning goals

## 3.Assessment (1st and 2nd call)

### 3.1.Assessment tasks (description of tasks, marking system and assessment criteria)

## 4.Methodology, learning tasks, syllabus and resources

### 4.1.Methodological overview

The methodology followed in this course is oriented towards achievement of the learning objectives. A wide range of teaching and learning tasks are implemented, such as theory sessions, practice sessions, and autonomous work.

Classroom materials will be available via Moodle. These include a repository of the lecture notes used in class, outlines, summaries, examples, as well as other course-specific learning materials.

In case not all the lessons would be possible to be offered at a room at the Faculty, or not all the students could receive them at the Faculty, an online system would be provided.

### 4.2.Learning tasks

The program that is offered for students to help achieve the expected results includes the following activities:

- Attendance to classes. Resolution of practical exercises previously prepared by the student.
- Study and elaboration of written assignments.

The teaching methodology is planned to pivot around face-to-face classes. However, if necessary for health reasons, face-to-face classes may be taught semi-face-to-face or online.

## 4.3.Syllabus

The course will address the following topics:

### **Lesson 1. BUSINESS COMBINATIONS AND GROUP OF COMPANIES**

- 1.1. Business Combinations in the accounting standards
- 1.2. The need to prepare consolidated reports
- 1.3. Defining a group of companies

### **Lesson 2. CONSOLIDATED FINANCIAL REPORTING**

- 2.1. Defining a group of companies in regulation national e international regulation
- 2.2. The requirements for consolidated reports
- 2.3. Scope of consolidation

### **Lesson 3. THE PROCESS FOR PREPARING CONSOLIDATED FINANCIAL STATEMENTS**

- 3.1. Delimitation of the reporting entity and organization of information
- 3.2. Phases for preparing consolidated statements

### **Lesson 4. THE CONSOLIDATION METHOD**

- 4.1. Homogenization of the information
- 4.2. The grouping phase
- 4.3. The elimination phase
  - 4.3.1. Elimination of the investment in the subsidiary
  - 4.3.2. Elimination of intragroup items
  - 4.3.3. Elimination of intragroup transactions

### **Lesson 5. OTHER METHODS OF CONSOLIDATION**

- 5.1. General characteristics
- 5.2. Accounting method techniques

### **Lesson 6. CONSOLIDATED FINANCIAL STATEMENTS**

- 6.1. General Issues
- 6.2. Standards for preparing the consolidated financial statements
- 6.3. Consolidated statements of financial position
- 6.4. Consolidated income statements
- 6.5. Consolidated statement of changes in equity
- 6.6. Consolidated statements of cash flows
- 6.7. Notes to the consolidated financial statements

## 4.4.Course planning and calendar

Further information concerning the timetable, classroom, assessment dates and other details regarding this course, will be provided on the first day of class or please refer to the Faculty of Economics and Business website.

## 4.5.Bibliography and recommended resources