

Academic Year/course: 2022/23

27525 - Consolidation of Financial Statements

Syllabus Information

Academic Year: 2022/23

Subject: 27525 - Consolidation of Financial Statements

Faculty / School: 109 - Facultad de Economía y Empresa

Degree: 449 - Degree in Finance and Accounting

ECTS: 6.0

Year: 3

Semester: Second semester

Subject Type: Compulsory

Module:

1. General information

2. Learning goals

3. Assessment (1st and 2nd call)

4. Methodology, learning tasks, syllabus and resources

4.1. Methodological overview

The methodology followed in this course is oriented towards the achievement of the learning objectives. The program the following activities:

- Attendance to lectures. Students are expected to participate actively in class throughout the semester.
- Attendance to practice sessions. Resolution of practical exercises previously worked by the student.
- Independent study of the student and written and / or oral practice.

Further information regarding the course will be provided on the first day of class.

4.2. Learning tasks

The learning process that has been designed for this subject is based on:

- Lectures (30 hours) are necessary for understanding the basics of subject of consolidation. The teacher will use during these sessions transparencies with outlines, summaries and examples that will be available to students. However, these transparencies do not cover 100% of the content of the teacher's or the subject and in any case can be assumed to substitute or replace class attendance and reading required or recommended basic bibliography on the subject.
- Practice sessions (30 hours), where exercises will help students to understand the theory and where students will participate actively intervening directly in resolving them in class.
- In the process of learning, study and individual student effort are required (90 hours).

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 online.

4.3. Syllabus

The course will address the following topics:

Topic 1-THE ECONOMIC PERSPECTIVE OF BUSINESS COMBINATIONS

- 1.1. Growth as a business objective
- 1.2. Business Combinations in the accounting standards

Topic 2-CONSOLIDATED FINANCIAL REPORTING. BASIC CONCEPTS

- 2.1. Defining a group of companies
- 2.2. Scope of consolidation
- 2.3. The accounting methods

Topic 3-THE REGULATION OF CONSOLIDATED FINANCIAL REPORTING

- 3.1. Regulatory framework at the European Union
- 3.2. The Spanish regulatory framework
- 3.3. The group and the requirements for consolidated reporting

Topic 4-THE PROCESS FOR PREPARING CONSOLIDATED FINANCIAL STATEMENTS

- 4.1. Delimitation of the reporting entity
- 4.2. Organization and information for the process of preparing consolidated statements
- 4.3. Phases for preparing consolidated statements

Topic 5-THE CONSOLIDATION METHOD

- 5.1. Description of the method
- 5.2. Homogenization of the information: Analysis and treatment of the differences
- 5.3. The aggregation phase
- 5.4. The need for eliminations and types
- 5.5. Elimination of the investment in the subsidiary
- 5.6. Analysis of the Goodwill. The Acquisition Method
- 5.7. Subsequent consolidations
- 5.8. Complex group structures
- 5.9. Elimination of intragroup transactions and items

Topic 6-PROPORTIONAL CONSOLIDATION AND EQUITY METHOD

- 6.1. General characteristics
- 6.2. Technicalities of the accounting methods

Topic 7-CONSOLIDATED FINANCIAL STATEMENTS

- 7.1. General Issues
- 7.2. Standards for preparing the consolidated financial statements
- 7.3. Official format for consolidated financial statements

4.4. Course planning and calendar

Further information concerning the timetable, classroom, office hours, 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 (<https://econz.unizar.es/>)