

27525 - Consolidation of Financial Statements

Syllabus Information

Academic year: 2023/24

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

The main goal of this subject is that the student:

- Obtain basic knowledge of the consolidated information presented by groups of companies.
- Learn the techniques to be followed in the formulation of consolidated financial statements.
- Be able to prepare the consolidated financial statements, in particular the balance sheet and the consolidated profit and loss account.

These approaches and goals are aligned with the Sustainable Development Goals (SDGs) of the United Nations Agenda 2030 (<https://www.un.org/sustainabledevelopment/es/>), in particular, the activities planned in the subject will contribute to the achievement of goals 4 and 8.

As this is an Advanced Accounting course, the student must have prior training in how companies record economic transactions, knowledge that has been acquired through the accounting courses that he/she has taken in previous years.

2. Learning results

The student, in order to pass this subject, must demonstrate the following results:

1. To know the basic concepts of consolidated information.
2. Analyze the national and international standards that regulate the preparation and presentation of consolidated financial statements.
3. To understand the process of preparing consolidated financial statements.
4. Manage the methodology and techniques for the preparation of consolidated information.

3. Syllabus

Unit 1. The economic phenomenon of corporate concentration.

Unit 2. Consolidated information. Basic concepts.

Unit 3. Regulation of consolidated information.

Unit 4. The process of preparing consolidated financial statements.

Unit 5. Global integration method.

Unit 6. Proportional integration method and equity method.

Unit 7. Consolidated financial statements.

4. Academic activities

Master classes: 30 hours

Practical classes: 30 hours

Personal Study: 84 hours

Assessment tests: 6 hours

6 ECTS = 150 hours

In the practical classes, the resolution and discussion of the cases proposed by the teacher, previously worked on by the student, where the aim is for the student to actively participate in the resolution of the cases in the classroom.

In the learning process it is necessary the independent study of the student as well as the realization of written tests that serve as an evaluative element.

In principle, the teaching methodology and its evaluation is planned to be based on face-to-face classes . However, if circumstances so require, they may be carried out online.

5. Assessment system

The student can pass the subject by means of a **global assessment** system that consists of the following evaluation activities:

- a) Intermediate written test (30% of the grade): this written test includes the contents studied in the first three topics of the program.
- b) Activities (10% of the grade): these activities consist of theoretical and practical questions to be solved by the student in class. The grade for these activities will be the arithmetic mean of the grade for all of them.
- c) Final written test (60% of the grade): this written test includes the contents studied in topics 4 to 7 of the syllabus program and will be held on the date of the official convocation fixed by the center in the exam calendar.

Both written tests will have theoretical and practical content. The theoretical questions can be closed (multiple-choice) or open-ended with concise and clear answers, and in them the student must demonstrate that they have assimilated and understood the basic concepts of the subject. The questions and problems posed will be similar to those solved in the practical classes of the subject.

In order to pass the subject, students must obtain a minimum mark of 4 (out of 10) in the two written tests, intermediate and final, and the weighted average of these and the marks for the proposed activities must be equal to or superior to 5 (out of 10).

The grade obtained will be the higher of these two options: $a (30\%) + b (10\%) + c (60\%)$, or $a (30\%) + c (70\%)$.

Those students who have not taken the intermediate test or who have not reached the grade of 4 out of 10 must take the final written test on the total of the syllabus, topics 1 to 7, and this grade will be 100% of the grade. This final test, , will be divided into two parts: a first part covering topics 1 to 3 (30%) and a second part covering topics 4 to 7 (70%). To pass the course a minimum of 4 out of 10 must be obtained in each of the parts, being the sum equal to or higher than 5 points out of 10.

Those students who wish to improve their grade, must take the written test on the total of the syllabus, prevailing in their case, the best of the grades obtained. In these cases, the same conditions as in the previous paragraph shall apply.

This evaluation system is exclusive for the first call since, in the second call, the evaluation will be carried out only by means of the overall written exam.