Course Guide
35912 Accounting for international groups

COURSE DATA

Data Subject	
Code	35912
Name	Accounting for international groups
Cycle	Grade
ECTS Credits	6.0
Academic year	2019 - 2020

Study (s)

Degree	Center	Acad. year	Period
1314 - Degree in International Business	Faculty of Economics	4	First term

Subject-matter

Degree	Subject-matter	Character
1314 - Degree in International Business	27 - International accounting	Optional

Coordination

Name	Department
MORA ENGUIDANOS, ARACELI	44 - Accountancy

SUMMARY

This subject allows to learn the concep of busines combinations and how to elaborate and analyse the consolidated financial statements/group accounts of listed companies

PREVIOUS KNOWLEDGE

Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

Other requirements

Introduction to accounting

OUTCOMES

1314 - Degree in International Business

- Be able to work in multidisciplinary and intercultural teams.
- Understand and reflect on socio-economic and political contexts that affect business and economic decision-making in an international environment.
- Understand the structure and functioning of companies and organisations operating in an international context.
- Prepare, interpret and analyse the accounting information of companies.
- Use the economic and financial information of the company to make decisions.
- Conocer los organismos internaciones que regulan la normativa contable, fundamentalmente el IASB que establece la normativa que deben aplicar las empresas europeas que cotizan en mercados financieros.
- Entender las consecuencias del proceso de armonización contable internacional a nivel mundial.
- Conocer las principales normas internacionales de información financiera (NIIF), su criterios de reconociendo, valoración y registro y sus distintas alternativas.
- Saber interpretar la información elaborada en distintos países, los ajustes y los efectos económicos de distintas alternativas contables, así como los ajustes para obtener la información según NIIF.
- Saber comparar la información contables de cuentas individuales elaboradas con normativa nacional de distintos países.
- Conocer los aspectos más complejos de presentación de información que afectan a grandes empresas multinacionales como el caso de los intangibles y los instrumentos financieros entre otros.
- Saber identificar las situaciones de control y dependencia para establecer grupos y elaborar las cuentas consolidadas de grupos de empresas.
- Conocer las peculiaridades de las cuentas consolidadas de grupos de empresas de distintos países con distinta normativa contable y/o distinta moneda funcional.

LEARNING OUTCOMES

English version is not available

DESCRIPTION OF CONTENTS

1. Lesson 1. Concept of group of companies and consolidation.

1.1. . Business combinations and accounting information: merger and acquisitions versus investment in shares.
1.2. Rules for the preparation of consolidated financial statements (IFRS).
1.3. Group concept: parent and subsidiaries.
1.4. Other types of companies: joint ventures and associates.
1.5. . The obligation to present consolidated financial statements.

2. Lesson 2. Methods of consolidation

21. Investment types: direct, indirect, triangular, reciprocal and circular.
2.2. Nominal participation, control and equity interest.
2. 3. The methods of global and proportional integration and equity method.: Overview and its application to different types of companies.
2.4. Consolidation group and consolidation scope.

3.

4. Lesson 4. Equity investment adjustment.

4.1. Assessment of financial investment (participation).
4.2. Equity valuation of the subsidiary.
4.3. The date of acquisition of control.
4.3.1. Acquisition of control with a single investment.
4.3.2. Acquisition of control in stages.
4.4. The involvement of external partners.
4. 5. The investment-equity in subsequent years: reserves in consolidated entitity

5. Lesson 5. Elimination of intragroup transactions and internal results.

5.1. Intercompany eliminations or reciprocal items.
5.2. Internal operations
5.3. Results of internal operations with inventory.
5.4. Results of internal operations with PPE
5.4.1. Non depreciable assets.
5.4.2. Depreciable assets.
5.5. Dividends from distribution of profits

6. Lesson 6 The equity method

6.1. The application of the equity method.
6.2. The associates.
6.3. Methodology
6.4. Elimination of results of internal operations and internal dividends.
6.5. Results of equity society.
6.6. Reserves in equity investments

WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	30,00	100
Classroom practices	30,00	100
TOTAL	**60,00**	

TEACHING METHODOLOGY

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EVALUATION

Thre will be periodical tests (20% of the final mark) in addition to the final exam

REFERENCES

Basic

- Consolidation: Preparing and understanding consolidated financial statements under IFRS. Authors: Carlo Galimberti, Antonio Marra and Annalisa Prencipe, Ed McGrawhill, 2013

ADDENDUM COVID-19

This addendum will only be activated if the health situation requires so and with the prior agreement of the Governing Council

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