

**Corporate Accounting**

Code: 102372  
ECTS Credits: 6

Degree	Type	Year	Semester
2501572 Business Administration and Management	OT	4	0

**Contact**

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**Use of Languages**

Principal working language: catalan (cat)  
Some groups entirely in English: No  
Some groups entirely in Catalan: Yes  
Some groups entirely in Spanish: No

**Prerequisites**

This course is part of the Accounting field. To make the most of the CORPORATE ACCOUNTING subject it is advisable to have acquired previously the knowledge of the INTRODUCTION TO ACCOUNTING and FINANCIAL STATEMENTS ANALYSIS subject.

**Objectives and Contextualisation**

This course is a continuation of the financial accounting related subjects. It is dedicated to the accounting treatment of business combinations, the preparation of the consolidated financial statements of the Company and its group and its subsequent analysis and interpretation.

At the end of the course, the student will be able to:

- Accounting record of mergers and divisions of societies based .
- Identify the scope of consolidation of a group of companies and present the consolidated financial statements, applying the corresponding method depending on the linkage between the group of companies.
- Apply the accounting rules for the preparation of the consolidated financial statements based on Spanish accounting rules and the comparison with the IFRS.
- Apply techniques and analysis tools of the financial accounting statements to the consolidated financial statements, in order to diagnose the economic and financial situation of the group of firms.

**Competences**

- Capacity for independent learning in the future, gaining more profound knowledge of previous areas or learning new topics.
- Demonstrate initiative and work individually when the situation requires it.
- Generate and transmit the appropriate accounting information at all times to the information needs of different users.
- Organise the work in terms of good time management, organisation and planning.
- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.

- Use of the available information technology and adaptation to new technological environments.
- Using accounting information as a tool for assessment and diagnosis.
- Value ethical commitment in professional practice.

## Learning Outcomes

1. Assess ethical commitment in professional activity.
2. Capacity to continue future learning independently, acquiring further knowledge and exploring new areas of knowledge.
3. Demonstrate ethical behavior in the preparation of financial statements.
4. Demonstrate initiative and work independently when required.
5. Demonstrate motivation regarding the quality of the work performed and sensitivity regarding the consequences on the environment and society.
6. Develop accounting information synthesis applying accounting principles and standards, as required.
7. Interpret economic indicators of an entity and its relationship to the profitability and productivity of the same.
8. Interpret financial indicators of an entity and understand the decisions that can be taken from their analysis
9. Make a diagnosis from the economic and financial analysis of an entity
10. Organise work, in terms of good time management and organisation and planning.
11. Register for accounting the economic and financial reality of organizations in accordance with the principles, standards and conventions applicable in each case.
12. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
13. Use available information technology and be able to adapt to new technological settings.

## Content

### 1. BUSINESS COMBINATIONS

- 1.1. Introduction to business combinations
- 1.2. Types, forms and causes of business combinations
- 1.3. Accounting treatment for business combinations (the acquisition method)
- 1.4. Mergers and divisions of companies

### 2. GROUP OF COMPANIES

- 2.1. Definition of a 'Group '
- 2.2. Advantages of creating a group of companies
- 2.3. Requirements to prepare consolidated financial statements
- 2.4. The economic need to prepare consolidated financial statements
- 2.5. The scope of consolidation

### 3. CONSOLIDATION METHODS

- 3.1. The accounts consolidation process
  - 3.1.1. Homogenisation of accounting standards
  - 3.1.3. Intragroup transactions
- 3.2. Accounting consolidation methods
  - 3.2.1. Full consolidation
  - 3.2.2. Proportionate consolidation
  - 3.2.2. The equity method

### 4. ACQUISITION OF CONTROL AND CHANGES IN OWNERSHIP INTEREST

- 4.1. Investment - equity elimination
- 4.2. Changes in ownership interest
  - 4.2.1. Step acquisitions
  - 4.2.2. Loss of control
- 4.3. Indirect participations

## 5. INTRAGROUP TRANSACTIONS

### 5.1. Reciprocal transactions

### 5.2. Intragroup transactions

#### 5.2.1. Intragroup sales of stocks

#### 5.2.3. Intragroup sales of fixed assets

### 5.4. Other intragroup transactions

## 6. CONSOLIDATED FINANCIAL STATEMENTS

### 6.1. The regulatory framework of consolidated financial statements

### 6.2. Specific items of the consolidated financial statements

### 6.3. Analysis of consolidated financial statements

## Methodology

### Theoretical

### classes:

The contents of the course will be taught by the teacher in the form of lectures, based in the indicated book in the bibliography. If necessary, additional material used for the presentation of topics will be available to students in the Virtual Campus, prior to the start of each of them. The purpose of making available this material is to allow students to follow more comfortably the sessions.

### Practical

### classes:

Will be combined with the theory, without any scheduled sessions in this case. These classes will be devoted to the exercise resolution and case review, whose statements will be available to students in the Virtual Campus in advance. On the other hand, the teacher will discuss in class with students cases or exercises that previously had been prepared.

### Tutorship

Individual tutoring will be done for students that demand it. The purpose of these sessions is to answer questions, comment or review concepts and exercises. They correspond to the student to take the initiative to raise issues for discussion. The tutoring sessions are in person and will not be done by email. The teacher's tutoring schedule is Monday from 4 to 6 pm and Friday from 10 a 11 am.

## Activities

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Class sessions (practice)	13	0.52	2, 4, 6, 9, 8, 5, 10, 11, 12, 13, 1
Class sessions (theory)	33	1.32	2, 6, 9, 8, 5, 11, 12
Type: Supervised			
Supervision and monitoring	7.5	0.3	3, 6, 9, 8, 5, 10, 11, 12, 1
Type: Autonomous			
Self study	93	3.72	2, 4, 3, 6, 9, 8, 5, 10, 11, 12, 13, 1

## Assessment

Student evaluation will be done continuously from the following evidence:

- Attendance and participation in the sessions. Class attendance is checked periodically by a signature sheet that the teacher will establish for this purpose.
- Periodic delivery by students (individually or in group) of solved exercises. The exercises will be proposed, evaluated and corrected by the teacher. Later will be discussed in class. The group will have a maximum of two students and group changes are not allowed during the course. With the exercise qualifications and assistance evaluation, an average mark will be calculated and weighted 20% in the final mark. Half of this 20% is for the synthesis work.
- Two mid-term exams will be performed during the course. These tests consist of theoretical questions and practical exercises related to the topics covered in each case. In its implementation will not be allowed to consult any material. With the qualifications of the two tests an average will be calculated, weighting each one 40% for the final grade.

The course can only be assessed by the evaluation system described above. A student who has participated in two of the past evaluation activities is considered part of the continuous assessment. Thus, a student will be considered as "NO AVALUABLE" when only participated in an evaluation activity. Non-participation in any of these activities will be graded with a zero in the concerned activity, with effects in the final grade, unless the student documentary justifies the causes which have prevented participate in that activity.

#### Calendar of evaluation activities

The date of the two mid-term exams are scheduled in the assessment calendar of the Faculty. The first one on Wednesday, March 25, 2020 at 11 am and the second one on Thursday, June 4 at 11:30 am. The dates of the evaluation activities (exercises in the classroom, assignments, ...) will be announced well in advance during the semester.

*"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity."* **Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB).** Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams' reschedule [https://eformularis.uab.cat/group/deganat\\_feie/application-for-exams-reschedule](https://eformularis.uab.cat/group/deganat_feie/application-for-exams-reschedule)

#### Grade revision process

After all grading activities have ended, students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

#### Retake Process

*"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject."* Section 3 of Article 112 ter. The recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.9.

Student who have missed, or has obtained a score lower than 3,5 on one of the two partial exams, he or she will be allowed to repeat that particular test. Also Students who after averaging the four grade components obtain a final grade between 3,5 and 4,9, will be offered a retake. Students who take this exam and pass, will get a grade of 5 for the subject. If the student does not pass the retake, the overall numerical grade for the course will be the score that had been obtained before the retake. The date of the retake exam will be posted in the calendar of evaluation activities of the Faculty on Tuesday, June 30, 2020 at 11 a.m.

#### Irregularities in evaluation activities

In spite of other disciplinary measures deemed appropriate, and in accordance with current academic regulations, *"in the case that the student makes any irregularity that could lead to a significant variation in the*

grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of various irregularities occur in the evaluation of the same subject, the final grade of this subject will be 0". **Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).**

## Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Attendance, participation, exercises and monitoring	10%	0	0	2, 4, 3, 6, 9, 8, 10, 11, 12, 13
Final work	10%	0	0	3, 6, 9, 8, 10, 11, 13
Mid-term exams	80%	3.5	0.14	3, 6, 9, 7, 8, 5, 10, 11, 12, 1

## Bibliography

### Basic:

- Serra, V.; Labatut, G.; Arce, M.; Cervera, N. and Pardo, F. (2011), *Consolidación contable de grupos empresariales*, Ediciones Pirámide, Madrid.
- Real Decreto 1159/2010, de 17 de setiembre, por el que se aprueban las normas para la formulación de las cuentas anuales consolidadas y se modifica el Plan General de Contabilidad aprobado por el Real decreto 1514/2007, de 16 de noviembre, y el Plan General de Contabilidad de pequeñas y medianas empresas aprobado por el Real decreto 1515/2007, de 16 de noviembre.

### Complementary:

- Boned, J.L. i Angla, J.J. (2011), *Consolidación de estados financieros*. ACCID, Barcelona.
- Pulido, A. (2011), *Combinaciones de negocios y preparación de las cuentas anuales consolidadas*. Ibergarceta Publicaciones, S.L.
- International Reporting Financial Standards: IFRS 3 *Business Combinations*; IFRS 10 *Consolidated Financial Statements*; IFRS 11 *Joint Arrangements*; IFRS 12 *Disclosure of Interests in Other Entities*, IAS 24 *Related Party Disclosures* y IAS 28 *Investments in Associates and Joint Ventures*.