Course Title: advanced accounting/E  
Course code:0311314

Course Level: Third grade  
Course prerequisite(s) and/or co requisite(s):Intermediate accounting 311213

Lecture Time:  
Credit hours: 3

Course module description:
Advanced accounting, problems and theory. Topics include consolidations, business combinations, preparation of consolidated financial statements, foreign exchange and other current issues

Course module objectives:
Students successfully completing the course should achieve the following learning objectives:
- Recognize, understand and properly account for a variety of business combinations.
- Properly prepare consolidated financial statements as of the date of acquisition and for periods subsequent to the date of acquisition, including proper assignment, depreciation and amortization of any difference between cost and book values.
- Understand the parent company and entity theories of consolidated statements and their relation to present reporting practices.
- Properly account for importing and exporting transactions denominated in foreign currencies.
- Understand and employ translation procedures for foreign currency financial statements, using both current rate and temporal methods.

Course/ module components
- Text Book

Teaching methods:
Lectures, tutorials, problem solving, debates.

Learning outcomes:
- Knowledge and understanding
  After completing this course students should be able to:
  □Discuss difference issues relating purchase methods of accounting for consolidations
  □Explain the accounting issues, presentation and alternatives relating to foreign current transactions and translations.
• Cognitive skills (thinking and analysis).
  To develop the student’s ability to analyze, comprehend and work with complex financial accounting transactions involving multiple related entities in mergers and consolidations, investments with significant influence, and international transactions.

• Communication skills (personal and academic).
  Evaluate usefulness and limitations of advanced accounting topics and the ability to work as team group

• Practical and subject specific skills (Transferable Skills).
  Apply the equity method to accounting for investments.
  To gain working knowledge of the professional standards, principles and procedures of accounting and their application to different practical situations.
  To gain the ability to solve simple problems and cases relating to company accounts including.
  Prepare consolidated financial statements.

Assessment instruments

<table>
<thead>
<tr>
<th>Allocation of Marks</th>
<th>Assessment Instruments</th>
<th>Mark</th>
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<tbody>
<tr>
<td>First examination</td>
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<td>20%</td>
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<tr>
<td>Second examination</td>
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<td>20%</td>
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<td>Final examination: 30 marks</td>
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<td>40%</td>
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<td>Home works, behavior, attendance, quizzes, presentations, research</td>
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<td>20%</td>
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<tr>
<td>Total</td>
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<td>100</td>
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Course/module academic calendar

<table>
<thead>
<tr>
<th>week</th>
<th>Basic and support material to be covered</th>
<th>Homework/reports and their due dates</th>
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<tbody>
<tr>
<td>(1)</td>
<td>Accounting procedures used in applying the equity method Excess of investment cost over book value acquired</td>
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<tr>
<td>(2)</td>
<td>Elimination of unrealized profits in inventory Fair value reporting option for equity method investments</td>
<td>Quiz</td>
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<td>(2)</td>
<td>Chapter 2 - Consolidation of financial information Expansion through corporate takeovers The consolidation process Financial reporting for business combinations</td>
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<tr>
<td>(3)</td>
<td>Procedures for consolidating financial information Acquisition-date fair-value allocations</td>
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<td>(3)</td>
<td>First examination consolidations financial statement subsequent to the date of acquisition. Equity method</td>
<td>presentation</td>
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<td>(4)</td>
<td>Chapter 3 - Consolidations – subsequent to the date of acquisition Investment accounting by the acquiring company Subsequent consolidation – investment recorded by the equity method</td>
<td>Homework Discussion</td>
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<td>(4)</td>
<td>Subsequent consolidation – investment recorded, using initial value or partial equity method Goodwill impairment</td>
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<td>(5)</td>
<td>Chapter 4 Consolidated financial statements and outside ownership Consolidated financial reporting in the presence of a</td>
<td>Quiz</td>
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Allocating the subsidiary’s net income to the parent and noncontrolling interests
Partial ownership consolidations

Alternative fair-value specification
Step acquisition
Comparisons with international accounting standards

Chapter 5 – consolidated financial statements – intra-entity transactions
Intra-entity inventory transactions

Chapter 9 – Foreign currency transactions
Foreign exchange markets
Foreign currency transactions

Hedges of foreign exchange risk
Derivatives accounting, Hedge accounting
Forward contract used to hedge a foreign currency denominated asset
Use of hedging instruments

Chapter 10 - Translation foreign Currency Financial Statements
Exchange rates used in translation
Disposition of transaction adjustment

The process illustrated
Translation of Financial Statements
Hedging balance sheet exposure

Expected workload:
On average students need to spend 2 hours of study and preparation for each 50-minute lecture/tutorial.

Attendance policy:
Absence from lectures and/or tutorials shall not exceed 15%. Students who exceed the 15% limit without a medical or emergency excuse acceptable to and approved by the Dean of the relevant college/faculty shall not be allowed to take the final examination and shall receive a mark of zero for the course. If the excuse is approved by the Dean, the student shall be considered to have withdrawn from the course.

Module references
Books

Websites
http://www.aicpa.org
http://www.nysscpa.org/cpajournal/1999/0199/Features/F380199.html
http://www.cpa-exam.org
http://www.econ.ucsb.edu/~harmon