



Course Syllabus

Course Code	Course Title	ECTS Credits
ACCT-310	Advanced Financial Accounting	6
Prerequisites	Department	Semester
ACCT-110, ACCT-111, ACCT-210	Accounting, Economics and Finance	Fall/Spring
Type of Course	Field	Language of Instruction
Required	Accounting	English
Level of Course	Lecturer(s)	Year of Study
1 st Cycle	Dr Katerina Morphi	2 nd
Mode of Delivery	Work Placement	Corequisites
Face to face	N/A	None

Course Objectives:

The objective of the course is to present a detailed analysis for preparing consolidated financial statements, including elimination of inter-company liabilities, inter-company inventory transfers and inter-company plant asset transfers. Students will also be presented with consolidation procedures for step acquisitions and inter-company investment in preferred stock.

Learning Outcomes:

After completion of the course students are expected to be able to:

1. Understand why firms engage in business combinations and learn the consolidation procedures on acquisition day when the subsidiary is dissolved or when it remains in business.
2. Prepare consolidated financial statements in the years subsequent to the business combination including the amortization of goodwill and elimination of inter-company liabilities.

3. Prepare consolidated financial statements when there is minority interest and the parent has gained control during the accounting period.
4. Prepare consolidated financial statements when inventory or land and other depreciable fixed assets have been sold between the parent and the subsidiary.
5. Prepare consolidated financial statements when bonds have been issued between the parent and the subsidiary company. Be able to prepare a consolidated cash flow statement.
6. Be able to prepare consolidated financial statements when the parent company has invested in both preferred and common shares of the subsidiary. Illustrate the consolidation process depending on whether the preferred stock is treated like debt or equity.

Course Content:

1. Consolidation of Financial Information on Acquisition Day
2. Consolidations Subsequent to the Date of Acquisition
3. Consolidated Financial Statements and Outside Ownership
4. Consolidated Financial Statements and Inter-company Asset Transactions
5. Inter-company Debt and Investment in the Subsidiary's Preferred Stock.

Learning Activities and Teaching Methods:

Lectures, In-Class Exercises and In-Class Discussions.

Assessment Methods:

Homework, Mid-Term Exam, Final Exam.

Required Textbooks / Readings:

Title	Author(s)	Publisher	Year	ISBN
Fundamentals of Accounting	Hoyle, Schaefer and Douppnik	McGraw-Hill	2024	1264950446

Recommended Textbooks / Readings:

Title	Author(s)	Publisher	Year	ISBN
Advanced Financial Accounting	Christensen, Cottrell & Bud	McGraw-Hill	2022	1260772136