



CONSOLIDATION, Business Combinations & Investment Accounting

Course Introduction:

Organizations are getting into increasingly complex business transactions. Business combinations and forming strategic partnerships and alliances are becoming the norm for many organizations. Additionally, treasury departments are making daily decisions to invest available funds in order to maximize the return on investments.

Accounting and finance professionals have to be ready to help management understand the effect of recording such transactions on company's financials. This course discusses the accounting treatment for these transactions and highlights the most recent standards updates in these matters.

Course Objectives:

By the end of the program, participants will be able to:

- Identify different types of financial instruments and the accounting methods for each
- Account for investment transactions according to equity method
- Explain business combinations and their related transactions
- Apply the acquisition method for business combinations
- Recognize the process of consolidating financial statements
- Point out and account for goodwill and non-controlling interests

Who Should Attend?

Financial managers and controllers, accounting managers, senior accountants, financial analysts, investment accountants, general ledger accountants, financial assistants, and any professional involved in accounting for business combinations and consolidations and professionals who wish to understand accounting for financial instruments

Course Outline:

FINANCIAL INSTRUMENTS

- Categories of investments
- Presentation of financial instruments
- Distinguishing liabilities from equity
- Classification of instruments:
 - Held-To-Maturity (HTM) debt securities
 - Trading Securities (TS)
 - Available-For-Sale securities (AFS)
 - Fair value through profit and loss option
- Determining fair value

- Initial and subsequent measurement
- Reclassification and transfer between categories
- Constraints on reclassifications
- DE recognition of financial instruments
- Impairment of financial assets carried at amortized cost
- Impairment of financial assets carried at fair value
- Impairment of financial assets carried at cost
- Accounting for sales of financial instruments
- The recent accounting updates according to IFRS 9

INVESTMENTS IN ASSOCIATES

- Accounting based on the equity method
- Situations when cost method is applicable
- Differences in fiscal year
- Intercompany transactions between investor and investee
- Accounting for a partial sale or additional purchase of equity investment
- Change in level of ownership or degree of influence
- Accounting for impairment

TRANSACTIONS ACCOUNTED FOR AS BUSINESS COMBINATIONS

- Defining a qualifying business
- Structures of business combinations
- IFRS and US Generally Accepted Accounting Principles (GAAP) consideration

ACCOUNTING FOR BUSINESS COMBINATIONS

- Applying the acquisition method
- Identifying the acquirer
- Recognizing and measuring the identifiable tangible and intangible assets acquired and liabilities assumed
- Classifying or designating identifiable assets acquired and liabilities assumed
- Recognizing and measuring any non-controlling interest
- Measuring the consideration transferred
- Recognizing and measuring goodwill or gain from a bargain purchase
- Acquisition related costs
- Accounting for gain on bargain purchase option

CONSOLIDATED FINANCIAL STATEMENTS

- Defining 'control'
- Changes in ownership interest without loss of control

- Changes in ownership interest resulting in loss of control
- Consolidation procedures
- Intercompany transactions and balances

POST COMBINATION MEASUREMENT AND ACCOUNTING

- Reacquired rights
- Contingent liabilities
- Indemnification of assets
- Contingent consideration

GOODWILL MEASUREMENT

- Measurement of goodwill
- Impairment of goodwill

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Fees:

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session

