

Subject card

Subject name and code	Consolidation of Financial Statements, PG_00124292						
Field of study	Finance and Accounting						
Date of commencement of studies	October 2024	Academic year of realisation of subject			2025/2026		
Education level	Master's studies	Subject group			Obligatory subject group in the field of study Subject group related to scientific research in the field of study		
Mode of study	full-time studies	Mode of delivery			at the university		
Year of study	2	Language of instruction			Polish		
Semester of study	3	ECTS credits			5.0		
Learning profile	academic	Assessment form			credit		
Conducting unit	Department of Accounting -> Faculty of Management -> Rector						
Name and surname of lecturer (lecturers)	Subject supervisor		dr Maciej Gierusz				
	Teachers		dr Maciej Gierusz				
Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	15.0	15.0	0.0	0.0	0.0	30
	E-learning hours included: 0.0						
Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan	Participation in consultation hours		Self-study	SUM	
	Number of study hours	30	30.0		65.0	125	
Subject objectives	<p>Acquisition by the student of competence in the field of</p> <ol style="list-style-type: none"> 1. Identification of the parent company and other entities of the capital group for consolidation purposes. <ol style="list-style-type: none"> 1. Making the right choice of consolidation method. 2. Preparation of all elements of consolidated financial statements in accordance with the Accounting Act and IAS. 3. Recognition of changes in shares in subordinated entities as a result of the purchase/sale of shares or the issue of shares. 4. Determining the moment of acquisition/loss of control over the subsidiary. 5. Recognition of foreign subordinated entities in the consolidated financial statements. 6. Billing of the connection according to preliminary data (provisional settlement). 7. Settlement of a purchase transaction carried out in stages. 8. Settlement of the acquisition without remitted payment. Accounting for reverse acquisitions. 9. Identification of intangible assets, including re-evaluation of contracts previously concluded by the acquiree. 10. Applying consolidation methods. 11. Determining goodwill or negative goodwill/gain on bargain. 12. Conducting a goodwill impairment test. 13. Identify specific consolidation problems (functional currency, exchange rate differences). 						

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[FiRMU2_U06] The student creatively uses the acquired knowledge in various scopes and forms to solve problems in finance and accounting that arise in business practice. The student knows the limitations of the usefulness of the applied knowledge.	He uses the acquired knowledge in a creative way to prepare consolidated financial statements. Can use the method of full consolidation and equity rights.	[SU4] test/exam - oral or written [SU5] implementation of a problem task
	[FiRMU2_W02] The student has an extended and organized knowledge of various types of economic structures and institutions and the changes occurring in them, particularly the banking system, insurance system, tax system, financial markets, and organization of the public finance system and private sector. The student knows the interrelationships between these structures and social institutions on a national and international scale.	He has structured knowledge in the field of consolidation. Can point out the key differences between consolidation in accordance with international regulations and the Accounting Act.	[SW4] test/exam - oral or written [SW5] implementation of a problem task
	[FiRMU2_W08] The student has in-depth knowledge of the formation and economic functioning of organizations commercial and public, their forms, phases of development, as well as financial conditions determining their value and economic success.	The student has basic knowledge of consolidated reporting Knows the rules of formation and procedures necessary to prepare a consolidated financial report. Knows the basic elements of the annual financial statements and the rules of the enabling the assessment of the financial situation of the entity on this basis. Knows the basic principles of valuation of balance sheet categories and determination of consolidated financial result after taking into account consolidation adjustments. Knows the basic methods of consolidation: the full method, the equity rights method	[SW4] test/exam - oral or written [SW5] implementation of a problem task
	[FiRMU2_U05] The student correctly uses normative systems and selected norms and rules (legal, professional, moral) to solve in-depth problems in finance and accounting. The student has the ability to efficiently use the normative system appropriate to his specialty.	The student correctly uses normative systems and selected norms and rules (legal, professional, moral) in order to solve problems related to the preparation of consolidated financial statements.	[SU4] test/exam - oral or written [SU8] observation of student's independent or team work
	[FiRMU2_K05] Responsibility: - meets deadlines, - is able to set priorities appropriately in order to complete the task set before him, - is able to foresee the social consequences of his actions, - consistently strives to achieve the set goal, - is able to work systematically and independently, - respects the rules and norms of social coexistence.	The student meets the deadlines related to the implementation of tasks during classes. He can work systematically and independently.	[SK4] test/exam - oral or written [SK5] implementation of a problem task
	[FiRMU2_K01] Self-improvement: - understands the need for development and lifelong learning, - inspires others to learn, - is able to supplement and improve the acquired knowledge and skills, expanded by the interdisciplinary dimension, - knows his strengths and weaknesses, sets ambitious goals to the best of his ability, - knows how to reconcile with failure, admit to a mistake.	Understands the need to constantly supplement and deepen the acquired knowledge in the field of accounting. Is able to supplement and improve the acquired knowledge and skills related to the preparation of consolidated financial statements.	[SK4] test/exam - oral or written [SK5] implementation of a problem task

	Course outcome	Subject outcome	Method of verification
	[FiRMU2_U03] The student can analyse in depth the causes, course and effects of processes and phenomena in finance and accounting using advanced theories and appropriate social sciences methods. Can verify simple research hypotheses. Can collect data using information technology.	Can analyze the course and effects of consolidation in an in-depth way. He is able to correctly account for the acquisition by determining the goodwill of the company and recognize non-controlling shares.	[SU4] test/exam - oral or written [SU5] implementation of a problem task
	[FiRMU2_W01] The student has an expanded knowledge of finance and accounting, their place in the system of social sciences and their relationship with other social sciences.	He has extensive knowledge of the consolidation of financial statements.	[SW4] test/exam - oral or written [SW5] implementation of a problem task
	[FiRMU2_K04] Integrity: - the student adheres to the principles of business ethics and takes action to comply with these principles, - respects the law, - is objective, can perceive conflicts of interest, - correctly identifies and resolves dilemmas related to the practice of the profession.	Is sensitive to acting in accordance with legal regulations and the principles of ethics of the accounting profession	[SK4] test/exam - oral or written [SK5] implementation of a problem task
	[FiRMU2_W06] The student has in-depth knowledge of norms and rules (legal, organizational, moral and ethical) in finance and accounting. The student knows and understands the concepts and principles of industrial property protection and copyright law.	The student has knowledge of consolidated financial reporting. Knows the rules of preparation and procedures necessary to prepare consolidated financial statements	[SW4] test/exam - oral or written [SW5] implementation of a problem task
	[FiRMU2_U01] The student understands and can correctly interpret complex economic phenomena in finance and accounting and basic ones in other social sciences. The student understands and can explain in depth the content of communications of economic institutions, articles in the press and magazines in the field of finance. The student correctly applies concepts of social sciences.	Understands and is able to correctly interpret complex economic phenomena in the preparation of consolidated financial statements. Correctly applies the terms of consolidation methods and is able to identify stakeholders in the information contained in the elements of the annual consolidated financial statements.	[SU4] test/exam - oral or written [SU5] implementation of a problem task

Subject contents	<p>Lecture topics</p> <p>Annual consolidated financial statements of the capital group.</p> <p>Entities obliged to prepare annual consolidated financial statements.</p> <p>Elements of annual consolidated financial statements.</p> <p>Conditions for exemption from the preparation of consolidated financial statements.</p> <p>Consolidation methods.</p> <p>Full method, including the obligations of the members of the capital group with respect to the deadlines for the preparation of separate annual financial statements</p> <p>and the application of the same principles of valuation of assets and liabilities.</p> <p>Elimination of turnover and unrealized intra-group results.</p> <p>Recognition of dividends; determining, accounting for and recording goodwill and negative goodwill/gain on bargain purchases; capital from</p> <p>revaluation; Minority shareholding/non-controlling interest.</p> <p>Proportionate method, including scope of application; Exclusion policies and titles; goodwill, negative goodwill, goodwill settlement.</p> <p>Method of Property Rights, including Scope of Application; valuation of shares as at the date of commencement of exerting significant influence; valuation of shares on</p> <p>the end of the financial year and in subsequent reporting periods; Principles for determining and accounting for goodwill and negative goodwill/profit from</p> <p>bargain;</p> <p>Consolidation of mixed groups.</p> <p>Goodwill test.</p> <p>Consolidation documentation.</p>
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Prerequisites and co-requisites	A. Formal requirements		
	<p>The student should know the curricular content of the following subjects in advance:</p> <p>1) Accounting basics</p> <p>2) financial accounting</p> <p>3) International Financial Accounting Standards</p> <p>4) financial reporting,</p> <p>5) financial analysis.</p>		
Assessment methods and criteria	B. Prerequisites		
	<p>Knowledge of the functioning of enterprises and their role in the economy, knowledge of accounting principles, ability to prepare basic elements of financial statements (balance sheet, profit and loss account, additional information), knowledge of financial reporting principles and ability to analyze data contained in financial statements, knowledge of basic financial analysis indicators used to assess the entity's operations.</p>		
Assessment methods and criteria	Subject passing criteria	Passing threshold	Percentage of the final grade
	Written test	51.0%	100.0%
Recommended reading	Basic literature	A. Gierusz. M.Gierusz Konsolidacja Sprawozdań Finansowych wg MSSF, ODDK, Gdańsk 2022	
	Supplementary literature	<p>1. R. Ignatowski Konsolidacja Sprawozdań Finansowych, ODDK, 2013.</p> <p>2. Międzynarodowy Standard Sprawozdawczości Finansowej Nr 3 "Połączenia jednostek gospodarczych</p> <p>3. Międzynarodowy Standard Sprawozdawczości Finansowej Nr 10 "Skonsolidowane Sprawozdanie Finansowe</p> <p>4. Międzynarodowy Standard Rachunkowości Nr 28 Inwestycje w jednostki stowarzyszone i wspólne porozumienia</p> <p>5. Ustawa o Rachunkowości</p>	
	eResources addresses		
Example issues/ example questions/ tasks being completed	<p>Which of the following is not the difference between IAS/IFRS and the Polish balance sheet law in the field of consolidation:</p> <p>a) amortization of goodwill</p> <p>b) the ability to determine the full or proportionate goodwill</p> <p>(c) the method of determining the existence of a control</p> <p>d) determination of the unrealised margin on an intra-group transaction</p>		
Work placement	Not applicable		

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