



"الريادة والأبداع في الأعمال"
"Entrepreneurship and
Innovation in Business"

جامعة الزيتونة الأردنية
Al-Zaytoonah University of Jordan
كلية الأعمال
Faculty of Business



"عراقة وجودة"
Tradition and
"Quality"

Detailed Course Description - Course Plan Development and Updating Procedures/ Accounting Department QF05/0408-3.0E

Faculty	Business	Department	Accounting
Course number	0502416	Course title	Advanced Accounting
Number of credit hours	3	Pre-requisite/co-requisite	Intermediate Accounting (2)

Brief course description

The course explains the advances of the accounting concepts and practices underlying business combinations and consolidated financial statements according to the international accounting standards. the course covers the following issues ; the legal forms of business combinations the use of purchase and pooling accounting, the different methods available as accounting treatment for the investment account' these include, the equity method, the cost method and the incomplete equity method the basic consolidation procedures for the financial statements of the parent and its subsidiary basic consolidation procedures for the financial statements of the parent and its subsidiary intercompany transaction such as land. Inventory depreciable assets and bonds and intercompany leasing. Other issues include the impact of changes in the percentage of ownership on the consolidation procedures, the existence of preferred stocks. Couples affiliating and foreign currency translation

	Course goals and learning outcomes
Goal 1	Understand the concepts of business combinations and control, the major reasons firms combine, and the factors used to determine the price and the method of payment for a business combination.
Learning outcomes	1.1 The student should have the ability to acquire knowledge and understanding in the accounting fields related to business combination cases 1.2 The student should has the ability to apply thinking skills to solve the problems of determining the cost of investment and methods of payment
Goal 2	Analyze the three types of business combinations and distinguish between an asset and a stock acquisition
Learning outcomes	2.1 Provide students with the capabilities and skills of processing the analysis of the different forms of the three types of Business combination. 2.2 Students should have the ability and skills to process the recording of the purchase process and the calculation of the resulting goodwill, whether positive or negative.
Goal 3	Apply the two alternative views of consolidated financial statements: the economic entity and the parent company concept
Learning outcomes	3.1 Provide the student with the capabilities and skills to handle the preparation of the consolidated financial statements at date of acquisition and according to the concept of parent company and economic entity
Goal 4	Prepare journal entries on the parent's books to record and account for an investment using the cost method, the partial equity method, and the complete equity method.
Learning outcomes	4.1 Achieving the skills of recording the process under Equity method 4.2 Achieving the skills of recording the process under Incomplete Equity method 4.3 Achieving the skills of recording the process under Cost method
Goal 5	Use the work-paper and eliminating entries in preparing consolidated financial statements at the date of acquisition and the year(s) subsequent to the acquisition



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	assuming that the parent accounts for the investment using the cost, the partial equity, and the complete equity methods.
Learning outcomes	5.1 Provide students with the skills to prepare the consolidated financial statements at end of the financial year 5.2 Provide the student with the capabilities and skills of processing and preparing the consolidated financial statements at the end of subsequent periods following the acquisition
Goal 6	Analyze and treat intercompany sales of merchandize or properties determine the amount of intercompany profit, if any, to be eliminated from the consolidated statements.
Learning outcomes	6.1 Provide the student with the capabilities and skills of handling the processes of intercompany transactions between the holding and the subsidiary company for sales of the goods transactions. 6.2 Provide the students with the abilities and skills to deal with the intercompany transactions between the holding and the subsidiary company for sales of land. 6.3 Provide the students with the abilities and skills to deal with the intercompany transactions between the holding and the subsidiary company for sales of assets.
Textbook	Jeter, Debra and Chaney, Paul (2016) Advanced Accounting, 6th ed., International Student Version, Wiley, USA.
Supplementary references	Larsen, E. J., Modern Advanced Accounting, 14th ed., McGraw-Hill Inc., NY, 2016.

Course timeline				
Week	Number of hours	Course topics	Pages (textbook)	Notes
01	1 1 1	1– INTRODUCTION TO BUSINESS COMBINATIONS AND THE CONCEPTUAL FRAMEWORK - Business Combinations: Why? Why not? - Terminology and Types of Combinations. - Takeover Premiums.	7 14 17	Objective(1) Objective(1) Objective(1)
02	1 1 1	- Determining Price and Method of Payment in Business Combinations. - Alternative Concepts of Consolidated Financial Statements. 2– ACCOUNTING FOR BUSINESS COMBINATIONS - Explanation and Illustration of Acquisition Accounting.	20 24 51	Objective(1) Objective(3) Objective(2+4)
03	1 1 1	- Explanation and Illustration of Acquisition Accounting. - Exercises.	51	
04	1 1 1	3– CONSOLIDATED FINANCIAL STATEMENTS—DATE OF ACQUISITION - Definitions of Subsidiary and Control.	84	Objective(1)



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		- Reasons for Subsidiary Companies, - Consolidated Financial Statements.	88 90	Objective(1) Objective(1)
05	1 1 1	- Consolidated Balance Sheets: The Use of Work-papers. - A Comprehensive Illustration.	91 107	Objective(3 +4+5) Objective(3 +4+5)
06	1 1 1	4- CONSOLIDATED FINANCIAL STATEMENTS AFTER ACQUISITION - Accounting for Investments by the Cost, Partial Equity, and Complete Equity Methods.	129	Objective(4)
07	3	- Consolidated Statements after Acquisition—Cost Method.	138	Objective(3 +4+5)
08	3	- Comprehensive example – 2 years.		Objective(3 +4+5)
09	3	- Recording Investments in Subsidiaries - Equity Method (Partial or Complete).	150	Objective(3 +4+5)
10	1 1 1	- Comprehensive example – 2 years. - Elimination of Intercompany Revenue and Expense Items.		Objective(3 +4+5)
11	1 1 1	5- ALLOCATION AND DEPRECIATION OF DIFFERENCES BETWEEN IMPLIED AND BOOK VALUES. - Allocation of the Difference between Implied and Book Values to Assets and Liabilities of Subsidiary: Acquisition Date. - Effect of Allocation and Depreciation of Differences between Implied and Book Values on Consolidated Net Income: Year Subsequent to Acquisition.	160 216 222	Objective(6) Objective(5) Objective(5)
12	1 1 1	- Consolidated Statements Work-paper—Investment Recorded Using the Cost Method - Consolidated Statements Work-paper—Investment Recorded Using Partial Equity Method.	227 238	Objective(4 +5) Objective(4 +5)
13	1 1 1	- Consolidated Statements Work-paper—Investment Recorded Using Partial Equity Method. - Consolidated Statements Work-paper—Investment Recorded Using Complete Equity Method	248	Objective(4 +5) Objective(4 +5)
14	1 1 1	6- ELIMINATION OF UNREALIZED PROFIT ON INTERCOMPANY SALES OF INVENTORY - Effects of Intercompany Sales of Merchandise on the Determination of Consolidated Balances. - Cost Method: Consolidated Statements Work-paper—Upstream Sales.	298 308	Objective(6) Objective(4 +5+6)
15	1 1 1	- Cost Method: Consolidated Statements Work-paper—Upstream Sales. - Consolidated Statements Work-paper—Complete	322	Objective(4 +5+6) Objective(4)



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		Equity Method.		+5+6)
16	1	ELIMINATION OF UNREALIZED GAINS OR LOSSES ON INTERCOMPANY SALES OF PROPERTY AND EQUIPMENT		Objective(6)
	1	- Intercompany Sales of Land (Non-depreciable Property).	346	Objective(4
	1	- Intercompany Sales of Depreciable Property (Machinery, Equipment, and Buildings).	349	+5+6)
		- Consolidated Statements Work-paper—Complete Equity Method	369	Objective(4
				+5+6

Theoretical course evaluation methods and weight	Participation = 10% First exam 20% Second exam 20% Final exam 50%	Practical (clinical) course evaluation methods	Semester students' work = 50% (Reports, research, quizzes, etc.) Final exam = 50%
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Approved by head of department	Dr. Abdallah Atieh	Date of approval	30/8/2017
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Extra information (to be updated every semester by corresponding faculty member)

Name of teacher		Office Number	
Phone number (extension)		Email	@zuj.edu.jo
Office hours			

Dr. Osama Shaban