

# ACC4201 Advanced Financial Accounting

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**Code**

ACC4201

**Title**

Advanced Financial Accounting

**Prerequisites**

ACC 3202

**Credits**

3

**Description**

This course builds on the intermediate accounting courses to develop the professional judgment, as well as the more technical skills, needed by students for careers in accounting, auditing or finance. Among the topics addressed are: inter-corporate investments, factors affecting ownership interests, equity method of accounting, and consolidation of financial statements.

**Outcomes**

"By the end of the course students will be able to: KNOWLEDGE Understand the theoretical framework underlying business combinations; Differentiate between the fair value and equity method of accounting for investments; Understand the criteria indicating presence of the significant influence over operations of the investee; Understand the techniques of calculation and allocation of differences between investment cost, fair value of net assets, and book value of net assets; Understand the criteria indicating presence of the control over operations of the investee; Understand the process of preparation of consolidated financial statements; Understand how intercompany transactions of the parent and subsidiary affect consolidated financial statements. APPLICATION ABILITIES apply the fair value accounting to investments; apply the equity method of accounting; calculate goodwill; calculate and allocate fair-book value differences; prepare consolidated financial statements; eliminate effects of intercompany transaction in the process of consolidation. KIMEP Core Values Academic honesty Respect for peers, instructors and staff

**Assessment**

- 60 % -first and second assessments
- 40 % -final assessment