

# Minnesota State University Moorhead

## ACCT 430: Advanced Accounting

### A. COURSE DESCRIPTION

Credits: 3

Lecture Hours/Week: 3

Lab Hours/Week: \*.\*

OJT Hours/Week: \*.\*

Prerequisites:

This course requires the following prerequisite  
ACCT 331 - Intermediate Accounting II

Corequisites: None

MnTC Goals: None

Study of consolidations, partnerships, and other advanced topics. Continues development of research skills using FARS.

**B. COURSE EFFECTIVE DATES:** 01/25/2001 - Present

### C. OUTLINE OF MAJOR CONTENT AREAS

1. Intercorporate Investments
2. Consolidation of Financial information
3. Consolidations subsequent to the date of acquisition
4. Consolidated Financial Statements and Outside Ownership
5. Consolidated Financial Statements and Intra-Entity Asset Transactions
6. Consolidated Financial Statements, Indirect Subsidiary Control and Connecting Affiliations
7. Segment and Interim Reporting
8. Partnerships: Formation and Operation
9. Partnerships: Termination and Liquidation

#### **D. LEARNING OUTCOMES (General)**

1. Prepare journal entries for an investment accounted for using the equity method. Describe when the equity method is appropriate.
2. Describe the various types of business combinations. Describe the acquisition method and compare it to purchase method and pooling method.
3. Prepare consolidated financial statements after the year of combination. Differentiate between the Equity method, the Partial equity method, and the initial value method as bookkeeping methods on the parents records. Analyze how the choice of bookkeeping method affects the consolidation process.
4. Prepare consolidated statements when a non-controlling interest exists. Calculate the Non-controlling interests share of the subsidiary's income. Describe the calculation of consolidated net income with a mid-year acquisition.
5. Calculate the effects of intra-entity asset transactions on consolidated financial statements.
6. Describe variable interest entities. Prepare consolidation entries to eliminate intra-entity debt. Calculate the effect of subsidiary stock transactions. Compute basic and diluted EPS for a business combination.
7. Describe the implications for the consolidation process when control is indirect, mutual, or affiliated. Calculate consolidation totals for these various ownership patterns.
8. Describe how an enterprise determines its operating segments. Apply the three tests to determine separate segmental disclosure. Apply the criterion to determine major customer disclosure.
9. Prepare journal entries to record initial capital investments. Calculate bonus and goodwill method for partners investment. Calculate income allocation. Calculate and prepare journal entries for new partner admission.
10. Determine amounts to be paid to partners in liquidation. Prepare journal entries to record liquidation activities. Prepare a proposed schedule of liquidation.

#### **E. Minnesota Transfer Curriculum Goal Area(s) and Competencies**

None

#### **F. LEARNER OUTCOMES ASSESSMENT**

As noted on course syllabus

#### **G. SPECIAL INFORMATION**

None noted