

accounting & legal aspects of consolidation

course description

The course intends to provide a broad but thorough understanding of the legal & accounting issues that go with consolidated accounts. All concepts discussed will be applied and trained with real life cases. Further the impact of IAS/IFRS standards will be discussed and how they materially impact the accounting rules as well as their relation with European law on consolidated accounts.

By the end of the course, delegate(s) will be able to

- To understand the concept and the utility of drawing up consolidated annual accounts
- To define when it is mandatory to consolidate
- Understand the difference between “normal” and consolidated account
- Apply all the techniques discussed

Course overview

- **Day 1**
 - Objectives of consolidated accounts: improving quality of information & legal aspect
 - Scope of consolidation legislation
 - Material scope: control ‘de facto’ and ‘de iure’
 - Calculating the control stake or stake of interest
 - Examples
 - Minority participations
 - Nominee structures, portage, commission, etc
 - Suspension of voting rights and legal limitations
 - Treasury stock and convertible obligations
 - Obligation to consolidate: Exemptions and exceptions
 - Circle of consolidation
 - Technical make-up of consolidated accounts (balance sheet & P&L)
 - Valuation rules
 - Principles
 - Latent taxes in the consolidated accounts
 - Temporary versus permanent differences
 - Basis of calculation: per entity, global versus partial method, active versus passive
 - Deferred- versus liability method
 - Conversion of obligations in foreign currencies
 - Monetary versus non-monetary

- Consolidation methods
 - Full consolidation
 - Proportionate consolidation
 - Asset mutation
 - Impact of annual report and audit reporting
 - Horizontal consolidation (consortium)
- In-depth discussion of all legal aspects and the impact of the IAS/IFRS principles and their implementation in European law
 - Relation between IAS principles and European law
 - Discussion and interpretation of the most relevant standards (Goodwill/Business combinations, carve-outs, financial instruments, Intangibles, Impairments, Interests in JVs)
- Practical issues re consolidated accounts
- **Day 2**
 - Applications:
 - Full consolidation:
 - Elimination of participations
 - Full & majority participations
 - Capital subsidies
 - Parent-sub-2nd sub –participations
 - Consolidations after moment of acquisition
 - Point in time to determine consolidation difference
 - Pre- and post-acquisition profits
 - Elimination of a holding when part of the holding is held by an associated entity
 - Reciprocal holdings
 - Conventional method
 - Treasury stock method
 - Elimination of intra-group transactions
 - Receivables and liabilities
 - Dividend payments
 - Capital losses on intercompany receivables
 - Sales of assets between consolidation members
 - Down- and upstream sale
 - Financial products between consolidation members
 - Sales of inventory
 - Capital losses on participations
 - P&L consolidation

- Attribution of results
- Comprehensive example
- Proportionate method
 - Principles
 - Examples
- Asset mutation
 - First time consolidation
 - Consolidation in later years
 - Elimination of intra-group transactions
- Comparison of methods
- Latent taxes in the consolidated accounts
- Examples (sales of assets, etc..) and comprehensive example
- Currency conversion issues
 - Methods
 - Examples
- When time allows we will do a fully fledged-final example that combines all aspects discussed

Target Audience

In order to maximize the learning experience and ensure the highest standards of care and attention to individual participants, group size will be limited to a maximum of 12.

Duration

2 days for up to 12 participants

REGISTRATION FORM

Form to be completed by training department / line manager

Accounting & Legal Aspects of Consolidation

22 / 23 November 2010

I, undersigned

Name	
First name	
Company	
Position	
Telephone	
Fax	
Email	
Billing address	

register the following person/people for the above-mentioned training course :

	Name	First name	Position
Mr / Mrs / Ms			
Mr / Mrs / Ms			
Mr / Mrs / Ms			
Mr / Mrs / Ms			
Mr / Mrs / Ms			
Mr / Mrs / Ms			
Mr / Mrs / Ms			
Mr / Mrs / Ms			

I have read and accept the following terms and conditions

Date and signature

Please return this form by fax to +352 22.55.99.99 or +352 22.06.39

Terms and conditions

Fees

The rate for the training course is 400 Euro per person per day. The fee includes all supporting material, lunch and refreshments.

Payment

The course fee must be paid in full on receipt of invoice. An invoice will be dispatched after completion of training.

Cancellation policy

Courses that have been booked may be cancelled up to 10 business days before the scheduled date. If the course is cancelled after that time, it will be subject to a cancellation fee of 50% of the fees due up to 5 business days before the scheduled date and 100% after that time.

fast training reserves the right to delay or cancel training course at any time without liability. In these circumstances, participants will be offered an alternative date.

Contact

For further information, please contact your Coordination Manager:

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