

27330 - Mergers and Acquisitions Accounting

Información del Plan Docente

Academic Year	2016/17
Academic center	109 - Facultad de Economía y Empresa 228 - Facultad de Empresa y Gestión Pública 301 - Facultad de Ciencias Sociales y Humanas
Degree	454 - Degree in Business Administration and Management 458 - Degree in Business Administration and Management 448 - Degree in Business Administration and Management
ECTS	6.0
Course	4
Period	Half-yearly
Subject Type	Compulsory
Module	---

1. Basic info

1.1. Recommendations to take this course

This is a mandatory course that is based on the knowledge acquired in various accounting courses (Financial Accounting I and II, Financial Statements, and Financial Statements Analysis) of previous years of the degree.

The Online Teaching Platform (ADD- <https://moodle2.unizar.es>) of the University of Zaragoza will be used to upload the materials and activities of the course. There you will find materials, laws, cases and other scheduled activities. The student must be aware of the updates on the ADD.

To be able to achieve the expected learning objectives, the student must attend the theoretical and practical lessons and participate in both these types of classes. Continuous work and carrying out the programmed activities are recommended during the course in order to facilitate its understanding.

1.2. Activities and key dates for the course

The beginning and end of the course are established by the academic calendar of the University.

The planning of the course, activities and deadlines will be announced through the Online Teaching Platform (ADD) during the term. The most important ones will be announced at the beginning of the course. Dates of the final exams are provided in the Faculty website and/or in the Online Teaching Platform (ADD).

2. Initiation

2.1. Learning outcomes that define the subject

On completing the course, the student will have achieved the following outcomes:

1. To know and understand the accounting concepts related to corporate business, in particular, the different forms of business combinations.

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2. To know and understand the national and international regulations for business combinations.
3. To understand the process of elaboration of financial information related to business combinations.
4. To be able to use the methodologies and tools to prepare the financial information of business combinations.

2.2.Introduction

Nowadays, the presence of different forms of business concentrations is a key characteristic of the economy. There are several processes for business concentration to take place, among which the most common are business combinations.

Business combinations can mean different forms of mergers or divisions but also other processes that maintain the legal personality of the companies implied. When legal personality is maintained, groups of companies appear.

This course provides the students with the necessary knowledge to be able to estimate the advantages and disadvantages of the different ways of combining businesses, as well as to be able to elaborate and understand the financial information of these combinations.

3.Context and competences

3.1.Goals

The course and expected results correspond to the following approaches and general objectives:

- To provide the basic knowledge about the different types of business combinations and their accounting processes
- To examine the main accounting techniques of business combinations
- To determine the impact of the different types of business combinations on the financial information.

3.2.Context and meaning of the subject in the degree

"Mergers and Acquisitions Accounting" is a compulsory course of 6 ECTS that is taught in the first semester of the fourth year of the Degree in Business Administration. It is part of the accounting and finance module of the Degree. At this point in the degree, the students have completed several accounting courses, where they have learned about the elaboration, disclosure and analysis of companies' financial information as the basis for decision-making. On many occasions, business organization requires making different types of business combinations to adjust the size or activities of the companies and/or their governing structures. Mergers, acquisitions and other forms of business combinations imply complex processes of accounting and of elaboration of the required financial information. After passing this course, the students will be able to carry out the accounting of a business combination as well as to elaborate and interpret the resulting financial information.

3.3.Competences

After completing the course, the student will be competent in the following skills:

E1. To lead, manage and administer companies and other types of organizations

E2. To understand the functioning of any area of a company or organization and to perform any managerial function.

E3. To evaluate a situation and its possible evolution for a company or organization, to make decisions and to capture the relevant knowledge.

E4. To elaborate global management projects for companies and organizations

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E5. To elaborate consultancy reports about specific situations of markets, sectors, organizations, companies and/or functional areas.

E6. To understand and apply professional criteria and scientific rigour to economic and managerial problem solving.

In addition, the students will achieve the following cross-sectional competences

T1a. - Ability to solve problems

T1d. - Ability to analyze and summarize information from different sources

T1e.- Ability to make decisions

T2a.- Ethical commitment to work

T2b.- Capacity for teamwork

3.4.Importance of learning outcomes

The learning outcomes of this course are relevant for achieving the expected learning objectives of Business Administration and Management and they will also be important for the students' professional careers.

4.Evaluation

For the february exam, two evaluation systems are available:

Continuous evaluation system

It requires two written exams about the topics of the syllabus. These exams will have theoretical and practical content, with the same terms as those indicated for the global exam. The exams will take place during the teaching period. Theoretical questions can be closed questions (multiple-choice questions) or open-ended questions, and the student must prove that he/she has acquired and understood the concepts of this course. Practical questions or cases will be similar to those solved during the practical classes of the course.

The final mark of the continuous evaluation will be obtained by weighting 60% the first exam and 40% the second exam. The first exam will deal with the contents of lessons 1 to 3 of the syllabus. The second exam will deal with the contents of lessons 4 and 5 of the syllabus. Each exam requires a minimum mark of 4 out of 10. To pass the subject, the final mark should be equal to or greater than 5 out of 10.

Global assessment

The student who does not choose the continuous assessment system, does not pass the course with the continuous assessment system, or wants to improve his/her mark, will be entitled to sit the global exam that will make up 100% of the mark. If the student wants to improve his/her mark, the best mark will prevail (continuous evaluation or global exam).

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The written global exam will be carried out at the official date fixed by the Faculty in the exams calendar. It will take place once the teaching period has finished and will consist of theoretical questions and practical cases or exercises. The exam will have theoretical and practical content, with the same terms as those indicated for the continuous evaluation.

To pass the subject, the final mark should be equal to or greater than 5 out of 10.

This assessment system is only valid for February (first sitting). In June (second sitting), the students can only do the written global exam.

In any case, to pass the subject, the final mark should be equal to or greater than 5 out of 10.

Assessment Criteria

The exam will be assessed considering the rigour of the answers, appropriate, clean and organized reasoning, the adequate use of the terminology, and the accuracy in the practical exercises.

5. Activities and resources

5.1. General methodological presentation

The learning process designed for this course is based on the following:

- Theoretical classes: they are key to understanding the basic concepts of a Mergers and Acquisitions Accounting course. The professor will use materials that will be uploaded on Moodle. However, it should be acknowledged that these materials do not substitute 100% going to class and using the references provided.
- Practical classes: they will be oriented to solving exercises and cases that will help the student to better understand the theory of the course. The students are expected to participate actively. They must solve the exercises and cases by themselves.
- Additionally, the learning process requires individual study and effort to achieve the course objectives.

5.2. Learning activities

The syllabus is designed to help the student to obtain the expected learning outcomes and comprises the following activities:

1. Attending theoretical classes: this will include the preparation of presentations of individual and/or group tasks.
2. Attending practical classes: Practical exercises, previously studied by the students, will be solved.
3. The student must also study the course and sit the exams.
4. Tutorials: the professors will inform the students of their office hours for tutorials.

5.3. Program

Chapter 1: Business concentrations and business combinations

1.1 The origin of business concentrations

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1.2 Business combinations

1.3 The acquisition method

Chapter 2: Mergers: General aspects

2.1 Types of mergers

2.2 Legal aspects of a merger

2.3 Economic aspects of a merger

2.4 Accounting of a merger process

2.5 Other operations related with business mergers

Chapter 3: Business divisions

3.1 Types of divisions

3.2 Legal aspects of a division

3.3 Economic aspects of a division

3.4 Accounting of a division process

3.5 Segregation operations

Chapter 4: Business Groups

4.1 Group concept and consolidation perimeter

4.2 National and international standards of consolidation

4.3 Elaboration of the consolidated financial information

Chapter 5: Consolidation methods

5.1 Consolidation methods: introduction

5.2 Stages of the consolidation process

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5.3 Consolidated Financial Statements

5.4.Planning and scheduling

The calendar of classes will be published in the website of the Faculty and/or in the Online Teaching Platform (ADD) and the presentation of works and other activities will be announced by the lecturer and through the appropriate channels.

5.5.Bibliography and recommended resources

UPDATED BIBLIOGRAPHY IS AVAILABLE THROUGH THE WEBSITE OF THE LIBRARY:

<http://psfunizar7.unizar.es/br13/eBuscar.php?tipo=a>