



**College of Business and Economics
Department of Accounting and Finance**

Course Number	AcFn3151
Course Title	Advanced Financial Accounting
Degree Program	BA Degree in Accounting and Finance
Module	Advanced Financial Accounting
Module No and Code	M15; AcFn-M3151
ETCTS Credits	6
Contact Hours (per week)	4
Course Objectives & Competences to be Acquired	<p>After successfully completing this module, students will be able to:</p> <ul style="list-style-type: none"> • Deal with accounting for joint ventures in general and accounting for Public Enterprises(focusing on public enterprises in Ethiopia) • Record, analyze and report financial information of enterprises with sales agencies and branches • Account for business combinations and the preparation of consolidated financial statements • Differentiate installment and consignment sales from ordinary sales and explain how revenues are recognized from such sales • Account for foreign currency transactions and translations and reporting the operating results of foreign subsidiaries • Account for segment reporting and interim reporting
Course Description	Advanced Accounting gives due attention to the modern advanced financial accounting issues such as accounting methods and principles for joint venture businesses, accounting principles and methods for agencies and branches, accounting principles and methods for installment contract sales, accounting and reporting issues related business combination and foreign transactions. Moreover, in this course, some accounting issues for public enterprises in Ethiopia and accounting for privatization of public enterprises (Emphasizing Ethiopian context) are discussed.
Course Contents	
1. Over view of accounting for joint ventures and Public enterprises <ol style="list-style-type: none"> 1.1. Accounting for joint ventures <ol style="list-style-type: none"> 1.1.1. Nature of Joint Venture Businesses 1.1.2. Back ground of JVs 1.1.3. Accounting for investment in JV Businesses 1.2. Accounting for public enterprises in Ethiopia <ol style="list-style-type: none"> 1.2.1. Overview of Proc. No. 25/1992 and other related provisions Agency problem 1.2.2. Accounting for the Formation 1.2.3. Accounting for the operation, Dissolution and liquidation 1.2.4. Privatization of Public Enterprises 1.2.5. Illustrations 	
2. Accounting for Sales Agencies and principal; Branches and Head office <ol style="list-style-type: none"> 2.1. Characteristics and principles 	

2.2. Distinguishing between Agencies, Branches and Divisions 2.3. Accounting for Operation of Branches 2.4. Reciprocal accounts and their reconciliations 2.5. Billing of merchandises to branches 2.6. Transaction between branches 2.7. Combined Financial statements
3. Installment and Consignment contracts 3.1. Installment Sales 3.2. Consignment sales
4. Business Combinations (Mergers and Acquisitions) 4.1. Introduction 4.1.1. Definitions 4.1.2. Motives 4.1.3. Types of business combinations 4.2. Methods of Arranging business combinations 4.3. Accounting Methods and procedures for Business Combinations
5. Consolidations 5.1. Introduction 5.2. Consolidated Financial Statement: Wholly owned subsidiary 5.3. Consolidated Financial Statement: Partially Owned subsidiary 5.4. Consolidated Financial Statement: Subsequent to data of acquisition: 5.4.1. Wholly Owned Subsidiary 5.4.2. Partially Owned Subsidiary
6. Foreign Currency Accounting 6.1. Introduction 6.1.1. Definition of terms 6.1.2. Types of currency-related exposures 6.2. Accounting for Foreign Currency Transaction 6.2.1. Foreign Currency Transaction meaning 6.2.2. Accounting principles and methods for foreign currency transactions 6.3. Foreign Currency Translations 6.3.1. Rationale for Foreign Currency Translation 6.3.2. Methods and Procedures of Foreign Currency Translation
7. Segment Reporting and Interim Reporting 7.1. Meaning & Computation of Segment Revenue & Operating Profit /Loss 7.2. Information to be disclosed by operating segment 7.3. Interim Reporting Provisions of APB Opinion No. 28 7.4. Disclosure in Interim Financial Data
<u>Text Book:</u> Larson. Advanced Accounting. 11 th edition <u>Reference Books</u> <ul style="list-style-type: none"> • Richard E. Baker et al. Advanced Accounting. 7th Edition, FT Prentice Hall- Financial Times, United Kingdom, 2004 • Hoyle, Schaefer, & Doupink. Advanced accounting. 11th Ed • Public Enterprises Proclamation No. 25/1992