



UNIVERSITÀ  
DEGLI STUDI DI MILANO-BICOCCA

## COURSE SYLLABUS

### Company & Group Balance Sheets - 1

2223-1-F7701M080-T1

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#### Learning objectives

The aim of the course is to provide an advanced and in-depth knowledge of the tools used for the preparation and processing of economic and financial information for the purpose of publishing company and group financial statements, both with reference to Italian regulation and with reference to international accounting standards, essential knowledge for a master's degree in Business Economics.

At the end of the course the learner, in particular knows:

- Statutory regulations concerning company financial statements (with updates to Legislative Decree 139/2015) and Legislative Decree 127/91 for the preparation of the consolidated financial statements;
- Framework and IAS 1 for the preparation of the annual and consolidated financial statements;
- The evaluation of the individual balance sheet items according to international accounting standards and Italian regulation also according to Legislative Decree 139/2015;
- The process for the preparation of the consolidated financial statements, the consolidation procedures according to Italian and international accounting principles.

#### *Knowledge and understanding*

The course aims to provide advanced knowledge of the financial statements and consolidated statement from an Italian and international perspective (according to IAS / IFRS accounting standards). Main differences between Italian Accounting Principle (OIC) and IAS/IFRS are a further aim of the course, as well as the critical issues and solutions adoptable in the representation and valuation of financial statement items and the related effects on the financial statement results.

The different informational scope of the consolidated financial statements and financial statements prepared in accordance with Italian and IAS /IFRS regulations is a learning objective of the course. The lectures, the cases

presented in the classroom and the individual study of the teaching material allow the student to acquire these disciplinary skills, which are verified both during the written test (closed and open questions referred to both knowledge and understanding), both during the oral test by discussing a financial report prepared according to the IAS/IFRS.

#### *Applying knowledge and understanding*

The course aims to train students with the advanced knowledge necessary for the preparation and interpretation of both the financial statements and the consolidated financial statements, according to both Italian accounting standard and IAS / IFRS standards. The case studies and the problem solving carried out by the teacher allow the student to acquire these skills. The skills are verified both during the written test (partly through the closed questions, but above all in the open question where the student is required to apply these abilities), and finally during the oral test by discussing a financial report drawn up according to the IAS / IFRS.

#### *Making judgments*

The course allows the student to acquire a gradual independence of judgment in particular in the comparison of financial statements drawn up according to national accounting standards and IAS / IFRS, urges his / her ability to critically analyze and solve complex problems in terms of processing economic information -financial for both companies and groups operating nationally and internationally. The discussion of business cases and the oral test are moments of verification of autonomy of judgment.

#### *Communication skills*

The student acquires the ability to express technically advanced concepts, with an appropriate language to interact with interlocutors with or without specialized knowledge on the subject, to communicate in a complete and effective way and with language properties. The interaction requested in the classroom by the teacher and the oral test represent moments of verification of the communication skills of the learners.

#### *Learning skills*

The student is required to investigate particular issues already during the course by carrying out regulatory research and business cases independently, useful abilities especially in the future for updates on budgetary matters and consolidated financial statements required in professional paths, consultancy or advanced study paths.

## **Contents**

### **FIRST PART: FINANCIAL REPORTING REGULATION, ITALIAN AND IAS/IFRS DIFFERENCES**

Introduction and basic concepts of the financial statements (according to Legislative Decree 139/2015)

Comparative analysis of Italian regulation (Italian Accounting Principle - OIC) and IAS / IFRS accounting standards

Analysis of international accounting standards

### **SECOND PART: CONSOLIDATED REPORTING ACCORDING TO ITALIAN REGULATION AND IAS/IFRS**

Consolidated financial statements

Introduction

Consolidation theories and methodologies

Definition of control and IFRS 10

Consolidation procedure

## **Detailed program**

### **FIRST PART: FINANCIAL REPORTING REGULATION, ITALIAN AND IAS/IFRS DIFFERENCES**

Introduction and basic concepts of the financial statements (according to Legislative Decree 139/2015)

Comparative analysis of Italian regulation (Italian Accounting Principle - OIC) and IAS / IFRS accounting standards

Analysis of international accounting standards

- IAS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- IFRS 15 - Revenue from Contracts with Customers
- IFRS 16 – Leases
- IFRS 3 – Business Combinations
- IAS 36 – Impairment of Assets
- IFRS 13 - Fair Value Measurement

### **SECOND PART: CONSOLIDATED REPORTING ACCORDING TO ITALIAN REGULATION AND IAS/IFRS**

Consolidated financial statements

Introduction

Consolidation theories and methodologies

Definition of control and IFRS 10

Consolidation procedure

Investments in Associates and Joint Ventures

Definitions according to IAS 28

Joint control arrangements

Equity Method

Changes in ownership interests

IFRS 12 – Disclosure of Interests in Other Entities

IAS 33 - Earnings Per Share

IFRS 8 — Operating Segments

## Prerequisites

None

## Teaching methods

The course will be taught through theoretical and practical lessons. Besides theoretical aspects, case studies will be discussed and practical exercises will be developed in order to better illustrate the financial information's characteristics, potentialities and criticalities.

*During the semester of the course, intermediate written tests are foreseen. The first is held during the specific week of suspension of lessons. The second at the end of the lessons. Passing the intermediate tests allows access to the oral exam.*

*The structure of both intermediate tests is the same as for the written test on official session of exam, namely:*

*8 questions, of which 7 are multiple choice (correct answer +1; answer not given 0; wrong answer -0.5) aimed at verifying knowledge and the ability to apply knowledge and 1 (applicative) open answer (evaluation from 0 to +4). The written test lasts 40 minutes)\*\*.*

## Assessment methods

Written test with 8 questions, 7 of which with a closed answer and 1 open applicative question. Compulsory oral examination for all those who pass the written test.

The student in the oral exam is required to discuss and comment a separate and consolidated financial statements prepared according to the international accounting principles.

Enrolment in the exam session (online procedure) is mandatory (both written and oral). Candidates not regularly enrolled in the exam cannot take the test. The student enrolled in the appeal but absent during the exam, without having informed the teacher in time, cannot take the exam in the next session.

**Written test consists of 8 questions**, of which 7 multiple choice (correct answer +1; answer not given 0; wrong answer -0.5) aimed at verifying knowledge and ability to apply knowledge and 1 (application) with open answer (rating from 0 to +4). The written test lasts 40 minutes.

To access the oral exam, a written score of at least +6 (which corresponds to 18/30) is required.

**The oral test** consists of at least 3 theoretical questions of application (theory and discussion of the consolidated financial statements according to the international accounting standards chosen by the learner), each question is assigned a score from 0 to 10.

## Measurement of learning and criteria for awarding the final grade

The mark is expressed in thirtieths. The student passes the exam if he obtains a mark of at least 18 even in the oral exam. The highest marks will be awarded with honors (30 with honors).

The exam is considered passed when the student has obtained a mark equal to at least 18 both in the written test and in the oral test. The final mark is determined for 30% by the mark of the written test and for 70% by the mark of

the oral test.

The mark of the written test is determined by the sum of the points of the multiple choice questions to which are added the points of the open question assessed on the basis of a defined scale referring to the completeness of the answer and the severity of the mistakes made.

The mark of the oral test is determined by adding the evaluation (maximum 10/30) attributed to each of the 3 questions posed to the student. This assessment takes into account the degree of knowledge, understanding and ability to apply the topics covered.

The student who demonstrates a critical, analytical, in-depth and exhaustive knowledge and understanding of the course content in the oral course, as well as an excellent command of the subject's own terminologies, gets praise.

## **Textbooks and Reading Materials**

- All Reading and Case study Materials available for students on e-learning course's platform
- IAS and IFRS endorsed in UE
- Italian accounting Standard (OIC)
- Azzali S., Saracino P., Il bilancio dei gruppi aziendali, Giappichelli, Torino, 2022, ISBN/EAN 978-88-921-2460-8
- Saita M., Saracino P., Provasi R., Messaggi S., Evoluzione dei principi contabili nel contesto internazionale, Franco Angeli Editore – 2012
- Consolidate and Separate Financial Reporting available on e-learning platform

## **Semester**

First Semester

## **Teaching language**

Italian

## **Sustainable Development Goals**

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