

Mastering all the consolidation issues related to foreign currency transactions

WHO SHOULD ATTEND?

Chief Financial Officers – Financial, Consolidation and Accounting Managers – Consolidation Managers – Chartered Accountants, External Auditors

Prerequisites: *it is recommended to master the consolidation process, by having attended, for example, the module called “Consolidation in IFRS – principles and methods” page 99.*

OBJECTIVES

- › Master all accounting treatments arising from foreign currency transactions in IFRS
- › Know how to calculate, follow and audit the Cumulative Translation Adjustment (CTA) in equity
- › Be able to solve issues related to foreign currencies in the cash flow statement
- › Understand how to account for hyperinflation

WHY YOU SHOULD ATTEND?

- › Foreign currency transactions generate many difficulties when preparing consolidated financial statements. A good understanding of conversion rules and mechanisms is necessary to master the treatments to complete the impacts resulting from the configuration of the consolidation software.

This training allows you to master the key principles related to foreign currency translation and suggests options in order to optimize or audit impacts on equity and on the cash flow statement.

DETAILED CONTENT

- › **Conversion rules prescribed by IAS 21 and by IAS 29 (hyperinflation)**
- › **Monetary and non-monetary items. Interaction between IAS 21 and IFRS 9.**
- › **Analysing and checking translation adjustments in intragroup transactions**
 - Net investment in a foreign entity
 - Intercompany adjustments
 - Dividend distribution
 - Capital increase
- › **Impacts of currency hedges on each component of the financial statements: income statement, Other Comprehensive Income (OCI) statement and balance sheet**
 - Different types of hedge accounting
 - Effectiveness of hedging and impacts on net result
- › **How to calculate, follow and audit the Cumulative Translation Adjustment in equity**
 - Recycling in profit and loss
 - CTA and merger transactions
- › **Converting cash flows in the cash flow statement**
 - Currency gain or loss in cash
 - Balancing conversion cash flows
- › **Net Investment Hedge**

INSTRUCTIONAL APPROACH AND LEARNING ASSESSMENT

- **Prior to the session:** self-assessment quiz
- **During the session:** for each topic covered, real-life examples are taken from published financial statements. Case studies with accounting entries, interactive quizzes and exchanges ensure knowledge acquisition throughout the training.
- **After the session:** documentary inputs (synthesis, articles, video).
The trainer is available to answer any follow-up questions participants may have.

DURATION: 2 DAYS

DATES*: 18-19/03/24
23-24/05/24
02-03/09/24
14-15/11/24

PRICE EXCL. VAT: 2 200 €

(*) Delivery method: face-to-face, subject to change according to your requests and/or health conditions.

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