A reliable consolidation sequence

MODULE 5 / 1 / A WORKSHEET THAT EXPLAINS ITSELF

1. **1. Set scope and dates**
   Confirm control, ownership, acquisition date and reporting period.
2. **2. Align the starting information**
   Use consistent policies; reconcile timing and balance differences.
3. **3. Build the acquisition schedule**
   Consideration, fair values, tax, goodwill and acquisition NCI.
4. **4. Carry acquisition adjustments forward**
   Split previous consumption from current-year expenses.
5. **5. Remove intragroup dealings**
   Balances, dividends, sales and unrealised margins, with tax.
6. **6. Attribute adjusted results**
   Parent owners and NCI: profit, OCI, opening equity, distributions.
7. **7. Reconcile the statements**
   Check totals, retained earnings, NCI and disclosure requirements.

> Worksheet entries do not carry into the next year automatically. Rebuild the opening group position from the current separate records.

Use one combined acquisition entry or a linked reserve-and-elimination method consistently. Never post both for the same adjustment. Label every journal by source, date and whether it affects P/L, OCI, opening equity or only balances.

Historical standards (October 2022 study context). AASB 10 19-26, B86-B95; AASB 3 6-40. Original Accounting Ahead examples.

Consolidation worksheet

MODULE 5 / 2 / BLANK PRACTICE PAGE

Account	Parent	Subsidiary	Dr adj.	Cr adj.	Group
Cash					
Receivables					
Inventory					
Investment in subsidiary					
Property, plant and equipment					
Goodwill					
Deferred tax asset					
Other assets					
Liabilities					
Deferred tax liability					
Share capital					
Retained earnings					
Other equity					
Non-controlling interest					
Sales / income					
Expenses					
Income tax expense					
Profit / comprehensive income					

Acquisition date: _____ Parent ownership: _____
NCI method: _____ Tax assumptions: _____

Checks: debits = credits; assets = liabilities + equity; closing RE follows the profit/distribution bridge; closing NCI follows its own bridge. Keep the acquisition schedule separately.

Historical standards (October 2022 study context). AASB 10 B86-B95. Original Accounting Ahead examples.