The consolidated financial statements in the light of the International Financial Reporting standard (10)
- A comparative study with the International Accounting Standard No. (27) –

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Abstract

This study aimed to identify the reasons for issuing the International Financial Reporting Standard No. (10), and add-on IAS (27) with respect to disclosure and accounting treatments in the preparation of the consolidated financial statements, and to assess the need for application in Sudan. The researcher Follow inductive approach and analytical approach, where they were relying on first approach when formulating the research problem, while relying on the second approach when the study and analysis of the International Accounting Standard No. (27) and International Financial Report standard (10). The researcher concluded that many of the most important results, represent in: the international financial report standard No.(10) contributed to the promotion of transparency and imposed by the global financial crisis in 2007, as it laid down the rules of good accounting measure required to prepare consolidated financial statements.

Keywords: Disclosure, Loss of Control, Consolidated, Parent, Subsidiary

Introduction

Most states tended to integrate its business through the privatization of the public sector. To ensure the transparency and credibility of the data resulting from the accounting disclosure of the financial statements appeared several bodies such as the International Federation of Accountants and the Financial Accounting Standards Board in the United States of America; and that issue accounting standards and also the International Accounting Standards Board (IASB) of the International Federation of Accountants , such criteria are the basis on which are relied upon in the preparation of financial statements.

And specializes in accounting measurement and report on the economic activities of the various units. Since the evolution of the nature of science and the life ; the accounting , like any other social science and humanity are subject to evolution, and in view of the evolution of the environment in which they operate accounting; since the large size of the projects, and what the owner of the emergence of the Industrial Revolution in the nineteenth century, all these factors and others led to the need for development in this science; especially as we are now in the era of globalization and is excreted from multinational companies. Accordingly, there has been a significant evolution of the international accounting standards particularly with regard to the standard which deals with the consolidated financial statements the subject of this study. In April 2001 adopted (IASB) International Accounting Standard No. (27) entitled (the consolidated financial statements and accounting for investments in subsidiaries), which had been issued originally from the International Accounting Standards Committee (IASC) in April 1989.

The Standard No. (27) replaces the standard (No. 3), which was titled (Consolidated Financial Statements) , which was issued in June 1976. In December 2003 , amended (IASB) Title Standard No. (27) entitled (the consolidated financial statements and separate) . In May 2011 , the standard was issued International Financial Reporting (10) entitled (Consolidated Financial Statements). To find out the impact of the application of IFRS No. (10) on the informational content of the financial statements , the researcher adopted to make a comparison between IFRS No.(10) and the International Accounting Standard No. (27) .

Problem of the Study

There are many factors that affect the international and local accounting, add to that the constant evolution in the economic life requires of course the need for the development of the accounting profession equivalent to that development. Shows the evolution of the accounting profession through what is issued accounting standards reflect the accounting profession's response to economic developments and changes which they operate accounting. The research is limited to address International Financial Reporting Standard No.(10) and what added to the International Accounting Standard No. (27).

The research problem can be highlighted key question is what are the reasons that led to the issuance of IFRS (10)? Is it regarded as an alternative to the International Accounting Standard No. (27)? And we can express this problem as follows:

1. To what extent contributes IFRS No.(10) to increase the accounting disclosure and improve transparency in the consolidated financial statements or consolidated?
2. Is added IFRS No (10) a positive development of the International Accounting Standard No. (27)?
3.Do you contribute IFRS No.(10) in improving the informational content of the published financial statements by the group companies?

The Importance of the Study

Acquires research importance of being deals with one of the topics that relate to the International Financial Reporting standards specifically IFRS No. (10), and that the need for the application of International Financial Reporting Standards, because the application of these standards has consequences relate it represents one of the requirements for membership obligation in the International Federation of Accountants and the countries can receive that support from the International Federation of Accountants.

Objectives of the Study

The research aims mainly to study the possibility of applying the international financial reporting standard No. 10 in reality through the study of its impact on disclosure and transparency in the financial statements. As well as compared with International Accounting Standard No. (27). this can be achieved through:

1. Identifying the reasons for issuing the International Financial reporting standard No. (10).
2. To identify what add Standard No. (10) with respect to disclosure and accounting treatment when preparing the consolidated financial statements, compared with International Accounting Standard No. (27).
3. to assess the need for the application of Standard No. (10) in Sudan

Methodology of the Study

Researcher follow the inductive and analytical approach, as adopted on first when formulating the problem of the study, while relying on the second when studying the standards issued by the International Federation of Accountants. In order to achieve the objectives of this study, the researcher adopted issuance of the International Federation of Accountants with respect to international standards and specifically International Accounting Standard No. (27) and the international Financial Reporting Standard No. (10).

Previous Studies

previous studies on this topic are rare because of newness, as it deals with the international financial repot standard No. (10), which will be applied as of January 2013, as most researchers are taking the informational content of the financial statements in isolation from the international accounting standards which are not linking effects of these standards on financial statements in Arab countries.

These studies include the following:

1 - Study (صلاح, 2010), this study aimed to clarify the limits of the informational content of the financial statements published, and define the role of the financial statements to support the investment decision-making , as the study sought to make a comparison between the viewpoint officers credit working in the Jordanian commercial banks and the perspective of intermediaries financial , and the perspective of the external auditors about the relative importance of these data in making decisions. the study found many of the results most important to the financial statements published an important source to extract the appropriate information to make financial decisions , whether in the field of investment or lending.

2 - Study (عاشور , 2006) this study showed Applied Accounting Standards (first, seventh and seventeenth centuries, and the one and twenty, and thirty-third) on the complex Riad Setif In Algeria that the application of these standards contributes significantly to increase the degree of financial disclosure and accounting of the financial statements , especially cash flow statement which provides when used with the rest of the financial statements information that enables users to evaluate the changes in net assets in the financial structure of the institution, including the degree of availability of liquidity and the ability to repay the obligations, as well as the organization's ability to generate cash and cash equivalents of various activities, in addition to the information provided by the use of IAS (21) and IAS (33)

The study was divided into three areas:

First : the informational content of the published financial statements.
Second : factors affecting of international and domestic accounting.
Third : comparative study between IFRS10 of IAS27

First: The Informational Content of the Published Financial Statements

Means the informational content of the financial statements published value of the information offered by the data from the user's point of view that information when you take financial decision. In this sense, the value of the information provided vary depending on the person who uses the one hand, and depending on the type of decision which they are used on the other hand (مطر, السويطي, 2008, p 317). There are various sources of published financial data, is the most important of these sources:

1. Statement of Financial Position: is the total assets owned by the business compared to its obligations towards others and owners, and therefore the difference between assets and liabilities represents the net financial position and reflects the rights of the owners of the project. The different components of the statement of financial position depending on the nature and activity of the project as well as the different sources of funds on which the project depends to finance its operations and the extent of reliance on borrowed money, and retained earnings and reinvested in the project (غنيم, 1999, p 36).

2. Income Statement: It aims to clarify the result of the work of the project of profit or loss over a certain period usually years, which means that this statement shows the result of the work of the project during the fiscal year, complete and not at a given moment of time, and the result reminded either net profit or loss, and includes trading account and profit and loss account.

3. Statement of Shareholders' Equity: It provides information about the changes that occur in the property rights over the financial period, which thus explains the reasons for the difference between the balance of property rights at the beginning of the period and the balance at the end of the period (مطر, 2007, p 71).

4. Statement of Cash Flows: It presents the cash flows of incoming and outgoing, which are classified as operating activities flow, investments and financing. And these flows are classified as cash flows from operations (operating activities) are those resulting from the operations and transactions that have nothing to do with investing and financing activities. And cash flows from investing activities which is produced from acquisition or sale of the property, and cash flows from financing activities is generated from stocks, bonds and loans (الشاهد, حماد, 2000, p 21).

5. Clarifications and observations: It helps to interpret the information contained in the financial statements, and considers these clarifications and observations of the requirements of the International Accounting Standards, and the most important benefits they check and provides users with additional information to certain elements, such as fixed assets, inventory, taxes, debt, and sales (الشاهد,2000, p 23).

Second: Factors Affecting Of International and the Local Accounting

Will be addressed through the following points:
A - The concept of international accounting standards.
B - Factors affecting the international accounting.
C - Factors affecting the local accounting.

A - The Concept of International Accounting Standards

It is noted that in the last three decades, began increasing attention to the International accounting standards, due to many reasons, including:

1. Increased financial and commercial transactions between the International companies.
2. Diversity and the continuing evolution of internationalcompanies.
3. The need for international standards to guide the business processes.
4. The emergence of accounting bodies and organizations at the international level.

For these and other reasons, attention began to accounting standards. It is intended standard that should be the thing, and knew kohler standard as a model depends on the custom and enjoys general acceptance, but Littelton believes that the standard is agreed basis in the application of accounting sense and is used as a tool for comparison (فضالة, 1996, p 13). Accordingly, it can be said that the accounting standards is a guidance specifies how to record some transactions or events and the information that appears in the financial statements and accompanied by supplements. It is in this sense represents a set of commands to be followed and the range of alternatives that can be applied to the accounting treatment of a particular subject, which is issued by professional organizations are strongly compulsory in many countries; As an example of these bodies International Accounting Standards Board of the International Federation of Accountants, the Financial Accounting Standards Board (FASB) and others.

There are many properties characterized by international accounting standards, including, for example:

1. Is a tool for assessing the accounting work; since it useful in decision-making proper accounting?
2. Are applicable, the fact that the accounting applied science and not just a theoretical framework.
3. Characterized by flexibility.
4. Is generally accepted among accountants.

Can be classified according to international accounting standards the information they contain and target them in six groups - see Table (1) - as follows (International Accounting Standards, 1999):

1. specific information in the financial reports and information that should be disclosed, and include the following standards: IAS 1, IAS 7,IAS 14, IAS15 ,IAS 21 , IAS24 , IAS29
2. Private Information Group companies and their subsidiaries and the relationship with other companies, and include the following standards: IAS22 ,IAS27 ,IAS28, IAS31.
3. Private information in the income statement, and include the following standards: IAS8 ,IAS11,IAS18 ,IAS20 , IAS23 , IAS33 , IAS35
4. private information statement of financial position, and include the following standards: IAS2 , IAS10, IAS12 , IAS16 , ,IAS17 IAS19 , IAS36 , IAS37 , IAS38 , IAS40
5. Private information or financial derivatives instruments, and include the following standards: IAS32 ,IAS39
6. Private information in the financial statements, and include the following standards: IAS26 ,IAS30 ,IAS34 , IAS41 It should be noted that there are a number of standards that were canceled and which are: IAS3 , IAS4 , IAS5,IAS6 ,IAS9 , IAS13 , IAS25.

Table (1): The basis of International Accounting Standards Classification

The basis for the classification of	No. Standard	Title of the standard
Format of the report and information disclosure duty	IAS1	Presentation of Financial Statements
	IAS7	Statement of Cash Flows
	IAS14	Segment reporting
	IAS15	Information that reflects the effects of changes in prices
	IAS21	The effects of changes in exchange rates
	IAS24	Disclosure of all relevant parties
	IAS29	Financial reporting in light of the economics of hyper-inflation
Group companies and their subsidiaries and the relationship with other companies	IAS22	merger enterprises
	IAS27	Separate Consolidated Financial Statements
	IAS28	Accounting for Investments in associates
	IAS31	Financial reporting for stakes in joint ventures
Income Statement Information	IAS8	Net profit and loss for the period, material misstatement and changes in accounting policy
	IAS11	Construction contracts
	IAS18	Revenue
	IAS20	Accounting for Government Grants and Disclosure of Government Assistance
	IAS23	The cost of borrowing
	IAS33	Earnings per share
	IAS35	Discontinued Operations
Balance Sheet Information	IAS2	Stock
	IAS10	Events subsequent to the balance sheet date
	IAS12	Income Tax
	IAS16	Property, equipment, equipment
	IAS17	Rents
	IAS19	Retirement benefits
	IAS36	Impairment of Assets
	IAS37	Provisions, contingent liabilities, potential asset
	IAS38	Intangible assets
	IAS40	Property investments
Financial instruments or derivatives	IAS32	Financial Instruments: Disclosure and Presentation
	IAS39	Financial Instruments: Recognition and Measurement
Specialist Consolidated Financial Information	IAS26	Accounting and reporting for the Retirement Plan
	IAS30	Disclosure in the financial statements of banks and similar financial institutions
	IAS34	Interim financial reports
	IAS41	Agriculture
Accounting standards have been canceled	IAS3	The consolidated financial statements
	IAS4	Accounting depreciation
	IAS5	Information to be disclosed in the financial statements
	IAS6	Response to price changes accounting
	IAS9	Accounting for research and development activities
	IAS13	presentation of current assets and current liabilities
	IAS25	Accounting for Investments

Source: prepared by the researcher

Will be the focus of this study Accounting Standard No. (27) which is located within set of standards dealing with group companies and their subsidiaries and the relationship with other companies. And as a companion to the development the International Accounting Standards Board has issued a set of international accounting standards that define the International Financial standards Reporting(IFRS). Where they were to begin issuing these standards as of June 2003, and that in response to economic developments that should be imposed in the development of accounting standards. Table (2) shows those standards and that knows Acronym (IFRS), and can be seen from the table (2) that these standards do not come out of the classification shown in Table (1). The researcher will focus on IFRS No. (10) a comparison between him and the IAS No. (27).

B - Factors Affecting the International Accounting

There are many factors that have an impact on international accounting, and can be divided in two groups; first relates to environmental factors, and the second related to different accounting practices between the countries. Among the most prominent environmental factors (شيحة, 1998, p, 124):

1. The modern international economy; which is one of the most important tag appearance multinational companies, and the emergence of unions and economic blocs such as the Common European markets, and the trend towards the integration of global capital markets.

2. foreign direct investment; as globalization and the increase in the movement of capital has created competition between countries to attract foreign capital on the one hand, on the other hand the desire of major companies in expanding their markets by moving their capital midwife to move to other places because there are tax concessions or competitive or to lower production costs.

3. the appearance of multinational companies; which are those companies that have managed globally, and the spread of these companies not only requires the presence of accounting and control systems for evaluating their performance, but also the necessity of having a private accounting standards can meet the requirements of investors and users in general.

4. the international monetary system (دويدار, الفولي, 2003, p, 125); This system works to identify and adjust exchange rates on the basis of balance-of-payments, as well as determine the capital flows, which thus affects the international accounting through the problem of exchange rates.

From the Table (1) and Table (2), we find, for example, IAS (27) and IFRS No. (10) shows the impact of the modern international economy in international accounting, which deals with these two criteria Consolidated Financial Statements (consolidated) for both companies in the same country or company that has subsidiaries in foreign countries, or that the company is a subsidiary company in a foreign country.

With regard to different accounting practices, it is due to many of the most important reasons (الجبر, عبد المنعم, 1998, pp. 13-16):

1- Legal and tax systems.
2- The economic system approach.
3- The prevailing political system.
4- Level of education.
5- Funding sources.

we find that the accounting in countries with capital markets strong focus on the extent of management efficiency in the operation of its resources, that is, they help investors determine the future cash flows as well as the potential risks, but if the funding source upon which institutions of the loans, the accounting will focus on the protection of creditors.

Table (2): International Financial Reporting Standards

No. Standard	Title of the Standard	Date of issuance of the standard	Scope of the standard
IFRS1	The Adoption of International Financial Reporting Standards for the first time	June 2003	Presentation and Disclosure
IFRS2	Share-based payment	February 2004	Payment transactions on the basis of shares
IFRS3	Business Combinations	January 2008 amendment	mergers
IFRS4	Insurance contracts	March 2004	Insurance companies
IFRS5	discontinued non-current assets and operations offered for sale	March 2004	The income statement, replaced IAS 35
IFRS6	Exploration and evaluation of mineral resources	December 2004	Assets (mineral) long-term
IFRS7	Financial Instruments: Disclosure	August 2005	Disclosure of financial derivatives
IFRS8	Operating Segments	November 2006	Segment reporting replaced IAS14
IFRS9	Financial derivatives	November 2009	Classification and measurement of financial assets
IFRS10	The consolidated financial statements	May 2011	The consolidated financial statements of the Group companies
IFRS11	joint venture	May 2011	Financial reports on joint venture
IFRS12	Disclosure of interests in other entities	May 2011	Replaced the disclosure requirements in IAS 27
IFRS13	Fair value measurement	May 2011	Balance Sheet

Source: prepared by the researcher

C - Factors Affecting the Local Accounting

There are many factors with a direct impact on local accounting, among them, for example: 1. Investors; investor, whether internal or external, institution or individual, he takes his investment decision on the basis of the information disclosed in the financial statements that must be credible these statements.

2. Financial analysts; They advisory destination for investors, if the financial information is not based on the generally accepted accounting principles, they will face difficulties in order to understand the financial statements. Because of the factors affecting the accounting profession in general, they represent one of the reasons that invites States to rely on international accounting standards, add to that other reasons invites States to the need to rely on international accounting standards, represent in:

1. The lack of agreement on a comprehensive theory of accounting (بلغيث, 2002, p 25).
2. Globalization and trade liberalization on a global level.
3. Intervention of international bodies, notably the United Nations.

Where we find that the United Nations has begun to support and strengthen the accounting profession on an international scale since 1973, and has focused its attention on achieving the comparison between the financial statements, and has appointed a group of researchers in 1973 to study the impact of multinational companies on the development processes and building relationships with host countries, as well issues relating to disclosure of information; the study concluded there is a lack of information from the companies. The UN Formed after that a committee at 1976 to search for the reasons for the lack of information provided, and in 1982 formed a committee of experts governmental objective discussion of international accounting standards and the preparation of financial statements and matters of relationship, as well as participation with international professional organizations to determine accounting standards. The reason from All these efforts is to reduce international dispute with respect to the financial statements and how the accounting treatment that should be done.

Third: a Comparative Study Between IAS (2) IFRS No. (10)

Will be addressed through the following points:

A - IAS (27)
B - International Financial Reporting Standard No. (10)
C - A comparison between IAS (27) and IFRS (10)

A - IAS (27)

The International Accounting Standards Committee (IASC) Issued -Before they can be modified to become the International Accounting Standards Board - in April 1989, International Accounting Standard No. (27) entitled "Consolidated Financial Statements and Accounting for Investments in subsidiaries"; to replace IAS (3), which was entitled "Consolidated Financial Statements"- see Table No. 1 - and issued in June 1976. As another amendment was made to the standard (27) in the year 1994, and as of April 2001, the International Accounting Standards Board to dissolve all of the standards and interpretations issued the previous constitutions unless it is withdrawn or modified. The Commission interpretations of the Standing developed two explanations are linked standard accounting number (27) are the interpretation No. 12 and No. 33 where it addressed the interpretation No. 12 Merger - special purpose entities - in December 1998, while addressed IFRIC 33 mergers and equity method - potential voting rights and allocation of property interests - in December 2001. In December 2003, the IASB issued an amendment to IAS (27) new title (the consolidated financial statements and separate), this amendment was also SIC12 replaced SIC33.Has also been an amendment to International Accounting Standard No. (27)by International Financial Reporting Standards -see Table (2)-, and the reasons why these amendments as follows (IASB, 2008):

1. Amendment to IAS (27) as part of a project to develop international accounting standards, where the objective of this project is to reduce the accounting alternatives in subsidiaries in the consolidated financial statements and separate holding company, without reconsideration of the basic approach integration facilities.

2. In 2008, the amendment has been made to the standard (27) as part of the second phase of the merger, this part has been in conjunction with the Financial Accounting Standards Board FASB These adjustments associated with the rights of the minority.

The Main Features of the International Accounting Standard No. (27)

General reading of the International Accounting Standard No. (27) can identify some general features of this standard as follows(IASB, 2008):

1. Goals: IAS27 aims to enhance the reliability and comparability of the information provided by entities holding in the separate statements and consolidated, and companies that fall under its control. This standard defines:

a. Conditions which must then consolidation with other units (subsidiaries).
b. The accounting treatment for changes in the level of ownership interests in subsidiaries.
c. The accounting treatment for the loss of control of a subsidiary.
d. Information that must be disclosed to enable users of financial statements to evaluate the nature of the relationship between the subsidiary and the holding company.

2. Presentation of Financial Statements: Demonstrates Standard No. (27) that each holding company to prepare consolidated financial statements, and should be applied when the preparation and presentation of the consolidated financial statements of the group of companies controlled by the holding company, as it is applied when accounting for investments in holding companies for the purpose of preparation of financial statements of the Holding Company. This means that the consolidated financial statements include standardized for all companies controlled by the holding company, with the exception of those subsidiaries that have been excluded by the following reasons:

a. If Holding control over subsidiaries temporary because the purchase of the subsidiary has been for the purpose of resale in the near future.
b. If the subsidiaries operate under strict restrictions so that the long-term result in poor ability to transfer funds to the Holding to a large extent.

In this case, should be accounted for as investments subsidiaries according to IAS No. 39 Financial Instruments: Recognition and Measurement.

And can even prepare consolidated financial statements, it assumes the existence of control if the holding company owns, either directly or indirectly (through subsidiaries) more than half of the number of shares that have voting rights in the subsidiary. With the exception of some cases where it can be clearly prove that the property does not lead to control. It could be argued that control is available if the Holding owns half or less than half the number of shares that have the right to vote in a company if you provide them with any of the following (IASB, 2008):

- Control more than half of the number of shares that have the right to vote as a result of an agreement with other investors
- The ability to control the financial and operating policies of the company because of legal or upon agreement.
- The ability to appointment or dismissal of the majority of the members of the Board of Directors or equivalent administrative authority.
- The ability to get the majority of votes at meetings of the Governing Council or the equivalent of administrative authority.

3. Assembly (unification): It is intended to use uniform accounting policies for operations and similar events. The mutual operations between Group companies are eliminated.
4. Non-controlling minority rights: You must disclose minority interest in the consolidated balance sheet with equity and separately from the equity in the holding company, and the total income is distributed to the rights of the majority and the minority.
5. Changes in equity interests: changes in the interests of property rights do not lead to loss of control.
6. Disclosure: You must disclose information that would determine the nature of the relationship between the holding company and subsidiaries when they do not have the holding half of the voting power. He explained the international standard (27) some of the things that must be disclosed and which are: to clarify the reasons for the lack of control in the case of Holdings owns more than half of the votes, the disclosure of any restrictions and nature (loans, regulatory requirements) and its impact on the ability of the subsidiary in the transfer of funds to the holding company in the form of cash dividends, or repayment of the loans, set up a table showing the effects of any changes in ownership holdings in subsidiaries that do not lead these changes for the loss of control of the Holding subsidiary, and that holdings in the event of loss of control of the subsidiary shall disclose the gain or loss recognized them.

Accounting for Investments in subsidiaries which are subject to joint control and group companies in the separate statement (Independent)

When preparing separate financial statements are accounted for investments in subsidiaries and establishments which are subject to joint control and group companies by:

1. Cost Or
2. According to IFRS (9) and the International Accounting Standard No. (39) - See Table (1) and (2) -.If the investments classified for the purpose of selling (or classified as a group of assets to be disposed of sale) is accounted for at cost in accordance with the IFRS No.(5)

B - International Financial Reporting Standard No. (10):

In May 2011, IASB issued IFRS No. (10) entitled (Consolidated Financial Statements) to replace IAS (27), were issued Standard No. (12) IFRS12 entitled (Disclosure of interests in other entities) also in May 2011 to replace the disclosure requirements set forth by IAS27 . The IFRS10 addresses fundamentals of supply and preparation of the consolidated financial statements when a company or an entity controlled on other entities.

The reasons for issuance of IFRS (10):

There are many reasons that led to the issuance of this standard, among them, for example(IASB, 2011):

1. The difference in practice when applying IAS 27 and SIC-12, for example, are different entities when applying the concept of control, in some circumstances there are entities owns less than half of the voting rights, however, be in control, as there are agency relationships.

2. In addition, we find that the discrepancy between the IAS (27) and SIC-12 led to inconsistencies in the concept of control, as it requires IAS (27) consolidated financial statements of the entities controlled by other entities, known as control as the power to control the financial and operating policies, while SIC-12 explains the requirements of IAS (27) in the context of the special purpose entities with greater focus on the risks and rewards.

3. The global financial crisis that began in 2007 highlighted the transparency about the risk to the investor as a result of its investments (such as derivatives and securitization), which prompted the group leaders of the (20) and the Financial Stability Board and others claim IASB revised accounting requirements and disclosure .

Main features of IFRS (10):

Of the outstanding features of this standard as follows:

1. Select the basic requirements for the preparation of the consolidated financial statements.
2. Be the dominant company to another company when they are able to influence them.
3. Select how to apply the principle of control in the case of the rights of the company are less than the rights of the majority, as well as in circumstances where there are no voting rights is the controlling factor. As well as in the case of a company is dominant on specific assets in the investee company.
4. In preparing the financial statements of the consolidated entity to use uniform accounting policies, it also eliminated the reciprocal transactions and balances between group companies. And the rights of the minority should display non-controlling interest in the consolidated statement of financial position within equity sector, but separately from the controlling rights of the majority.

Accounting requirements required by the IFRS No. (10):

Standard identified several requirements that must be observed when applied, and address Here are some of these requirements:

1. with regard to the consolidated financial statements: with regard to the accounting requirements in this section are:

a. The need to integrate items of assets, liabilities, equity, income, expenses, cash flows in the holding company with the same items in the subsidiary.

b. Excluding the carrying amount of the item holding investments in subsidiaries, as well as Holding's share in the equity of subsidiaries (IFRS3 illustrates the accounting treatment for any goodwill arising about it).

c. The exclusion of all assets, liabilities, equity, income, expenses, and cash flows related to mutual operations between group companies, as well as gains and losses resulting from any transactions between group companies.

2. Unification of accounting policies.
3. Measurement: The holding companies include the income and expenses of the subsidiary in the consolidated financial statements from the date control. This is done on the basis of recognized amounts of assets and liabilities in the consolidated financial statements at the date of acquisition (acquisition) . For example, depreciation expense is recognized in the consolidated statement of income on the basis of the fair value of the assets of expendable and are included in the consolidated financial statements at the acquisition date .
4. The owners of non-controlling interests (minority interest) : the entity must be attributed to income or loss or any other element of any income to the owners in the Holding and the rights of the minority .

C - A comparison between IAS (27) and the IFRS No.(10):

After studying the two standards could be argued that the IFRS (10) has replaced IAS (27) and related interpretations issued by the Standing International Committee SIC12, and can generally make a comparison, as illustrated in Table 3:

Table (3) a comparison between IAS (27) and the IFRS No. (10)

The field of comparative	IAS(27)	IFRS(10)
objective	Aims to strengthen the reliability and comparability	Aims to install the principle of supply and preparation of financial statements, and to promote transparency
Accounting procedures	Similar to a large extent	There is more detail of the accounting procedures of what is prevalent in IAS (27)
Effective	Replaced by IFRS (10) as of May 2011	take effect as of January 2013
The concept of control	Is the ability to control the financial and operating policy on the facility to obtain benefits from its activities	Means the ability of an investor to make an impact in the investee company when their rights or investment returns for the change.
Conflict in the concept of control	There is a conflict between the standard and the explanatory leaflet SIC-12	Issued to remove the existing discrepancy in the standard (27) and its associated explanatory bulletins
treatment goodwill	Distinguish between positive and negative goodwill, addressing negative goodwill deducted from long-term assets and intangible assets	Treatment of goodwill, according to IFRS (3) and processed within equity consolidated statements.

Source: prepared by the researcher

We conclude from the foregoing that IFRS (10) has replaced IAS (27) due to lack of comprehensive disclosure in the latter, as he worked to strengthen the principle of transparency as one of the secretions of the global financial crisis that began in 2007. Add to that it broadened the concept of control and removed the conflict that existed in the previous IAS No.(27).Add to that the treatment of goodwill as a component of income that must be addressed in the item of property rights the consolidated financial statements and as indicated by IFRS No.(3)

Assess the need for the application of IFRS (10) in Sudan:

Sudan as one of the countries where foreign investment, the need to apply such standards so as to confirm the confidence that is looking for an investor, and the application of International Financial Reporting Standards represents a guarantee for the credibility of the financial statements, as it contributes in promoting transparency .Add to that the application of these standards is one of the international requirements for states to obtain membership in professional organizations concerned with the organization of the accounting profession, for example, the International Federation of Accountants

Results and Recommendations

First: Results

Based on previous study of IAS No. (27), and IFRS No. (10), it can be concluded the following results:

1. IFRS No. (10) contributed to the increase accounting disclosure and improve transparency in the consolidated financial statements, and was clearly shown by its treatment of goodwill - negative - and that was addressed in the past and in accordance with IAS No. (27) deducted from assets long-term and intangible assets and the treatment did not have any philosophical support to justify its existence. This treatment also discloses what occurs to the property rights of the changes due to negative goodwill which was not apparent in the IAS No.(27). The accounting treatment standard established by the IFRS No.(10) with respect to the negative goodwill to be processed in the equity sector - see IFRS 3 -.

2. IFRS No.(10) contributed to the development of the concept of control, as he contributed to the development of accounting procedures relating to the consolidated financial statements, as established rules for the accounting measurement of the processes that occur between the holding company and subsidiaries.

3. The IFRS No.(10) established the accounting treatments of goodwill, as well as the loss of control of the holding company subsidiaries, have contributed to improving the informational content of the published financial statements. This can be illustrated through the process of financial analysis carried out by analysts of financial statement, when addressing goodwill and in accordance with IAS No.(27), the process of financial analysis tainted by some defects and that the assets be visible undervalued worth less so because the process of deduction often are over (40 or 20) years and therefore the net income will also be affected, but according to IFRS No.(10), the accounting treatment is a one-time In the sector property rights; and therefore will vary read financial statements by financial analysts.

Second Recommendations

Based on previous results, we recommend based on the order of the accounting profession, including the following:

1. A careful study of the advantages standard application of international financial reporting standards No.(10).
2. Application of international Financial Reporting Standard No. (10) Applied gradually.

We also recommend that universities teach accounting programs by:

1. The development of accounting programs, to include developments in the accounting profession.
2. Teaching of International Accounting Standards (IAS), and the International Financial Reporting Standards (IFRS) along with generally accepted accounting principles

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