

## Programme..Master of Commerce (MCom)

### MCM5301 ADVANCED CORPORATE ACCOUNTING

Course Code	MCM5301	Semester	III
Course Title	ADVANCED CORPORATE ACCOUNTING		
Credits	4	Type	Core

#### Learning/Course Objective

- To study the basic concepts of Corporate Accounting.
- To provide the student with knowledge of recent developments in corporate accounting.
- To enable the students to gain ability to solve problems relating to Holding Company Accounts, Liquidation of Companies and various other Accounts.
- To understand the accounting procedure for reconstruction and liquidation of companies.

#### Course Structure

##### UNIT I:

Valuation of Goodwill – Factors affecting value of Goodwill – Need for Valuation-Methods of valuation of Goodwill – Valuation of Shares – Need for valuation – Methods of valuation of preference shares and Equity shares

##### UNIT II:

Amalgamation, Absorption and External reconstruction of companies – Purchase consideration – Accounting treatment – Books of Purchasing company – Books of Vendor company – Intercompany Owings – Intercompany unrealized profit – Intercompany Holdings – Acquisition of Business

##### UNIT III:

Alteration of share capital and Internal Re-Construction –Scheme of capital reduction – steps for Reconstruction – Liquidation of companies – Order of payment – Statement of Affairs and Deficiency/Surplus Account –Liquidator's Final Statement of Account.

##### UNIT IV:

Holding Company Accounts – Preparation of consolidated Balance Sheet – Minority interest – Cost of control – capital resolve – Intercompany Balance-Unrealized Inter Company Profits – More than one subsidiary –Intercompany Holdings – Consolidation of Profit and loss Account.

##### UNIT V:

Double Account system – Features of Double Account system-Difference between single account system and double account system – Receipts and Expenditure on capital Accounts – Revenue Account – Net Revenue Account – General Balance Sheet – Replacement of an asset – Accounts of Electricity companies – Special financial provisions relating to electricity companies.

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### Learning/Course Outcome

- To enable students to prepare final accounts of Joint Stock Companies.
- The ability to prepare consolidated accounts for a corporate group.
- Ability to perform valuation of shares and valuation of goodwill.
- Get idea about preparation of financial accounts of electricity companies.

### Books for reference:

1. S.P. Jain and K.L. Narang: Advanced Accounting, Kalyani Publishers, New Delhi.
2. R.S.N. Pillai, Bagavathi, S. Uma: Advanced Accounting, S. Chand & Co., New Delhi.
  - a. M.C. Shukla: Advanced Accounts, S. Chand & Co., New Delhi
3. R.L. Gupta & Others: Advanced Accountancy, Sultan Chand & Sons, New Delhi.
4. Mukherjee and M. Haneef: Modern Accountancy, Tata McGraw Hill, New Delhi
5. B.K. Banerjee: Financial Accounting, PHI Learning(P) Ltd., New Delhi.

**THEORY & PROBLEM: 20:80**