

STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI – 600 086

B. COM DEGREE

SYLLABUS

(Effective from the Academic Year 2019-2020)

CORPORATE ACCOUNTING

CODE: 19CM/MC/CA54

CREDITS: 4

LTP: 4 1 0

TOTAL TEACHING HOURS:65

OBJECTIVES OF THE COURSE

- To provide to the students Conceptual Knowledge of basic Accounting Principles and Accounting Standards in the preparation of Consolidated Financial Statements of a Company
- To enable the students to acquire the skills to interpret and analyse the financial position of the Company
- To equip the students with techniques to be followed in case of Restructuring and Liquidation

COURSE LEARNING OUTCOMES

On successful completion of this course, students will be able to

- Create a record of the transactions of a company
- Prepare the Consolidated Financial Statements of a company
- Provide relevant financial Information from the financial Statements for decision making for the company
- Understand the Accounting Procedures for Restructuring and Liquidation of Corporate entities

Unit 1 (13 Hours)

Financial Reporting

- 1.1 Disclosure in Annual Accounts – Notes forming Part of Financial Statements
- 1.2 Corporate Governance and Disclosure Requirements
- 1.3 Disclosure Relating to Financial Statements (Notes to Accounts)
- 1.4 Preparation of Profit and Loss Account and Balance Sheet of Corporate Entities

Unit 2 (15 Hours)

Preparation of Cash Flow Statements

- 2.1 Preparation of Cash Flow Statements as per AS-3, ICAI.

Unit 3 (12 Hours)

Valuation of Goodwill and Shares

- 3.1 Meaning, Need and Factors to be considered for Valuing Goodwill and Shares
- 3.2 Methods of Valuation of Shares – Intrinsic Value, Yield Value Earning Capacity and Fair Value
- 3.3 Methods of Valuation of Goodwill – Average Profits, Super Profits

Unit 4**(12 Hours)****Amalgamation and Absorption**

- 4.1 Meaning and Difference
- 4.2 Calculation of Purchase Consideration for Amalgamation, Merger and Purchase
- 4.3 Accounting Treatment in the Books of the Purchasing Company and the Vendor Company for Merger and Purchase excluding Intercompany Holdings

Unit 5**(13 Hours)****Internal Reconstruction including Alteration of Share Capital**

- 5.1 Alteration of Share Capital – Types – Accounting Procedure
- 5.2 Internal Reconstruction – Types and Legal Provisions
- 5.3 Accounting Entries and Preparation of Balance Sheet after Internal Reconstruction

BOOKS FOR STUDY

Gupta R.L and Gupta V.K., *Introduction to Corporate Accounting*, S Chand, 2016

Reddy, T.S and A. Murthy., *Corporate Accounting*, Margham, 2017

BOOKS FOR REFERENCE

Jain S. P and Narang K. L., *Advanced Accountancy (Vol- II)*, Kalyani, 2016

M. Hanif and Mukherjee A., *Corporate Accounting, 2nd Edition*, TMH, 2017

Bhushan Kumar Goyal, *Taxman's Corporate Accounting*, 6th Edition, 2019

Goyal V.K., *Corporate Accounting*, 2018

JOURNALS

Journal of Institute of Chartered Accountants of India

Journal of Corporate Accounting and Finance.

WEB RESOURCES

www.icaai.org

www.emeraldinsight.com

www.accaglobal.com

www.journals.elsevier.com

PATTERN OF ASSESSMENT

Continuous Assessment Test: Total Marks: 50 Duration: 90 minutes

Section A – 3 X 2 = 6 Marks

Section B – 3 X 8 = 24 (from a choice of four questions)

Section C - 1 x 20 = 20 (from choice of two questions)

Other Components: Total Marks: 50

Assignments/Problem Solving

End Semester Examination: Total Marks: 50 Duration: 3 hours

Section A – 10 X 2 = 20 Marks (no choice 5 Questions theory and 5 Problems)

Section B – 5 x 8 = 40 Marks (from a choice of seven questions – Problems)

Section C – 2 x 20 = 40 Marks (from a choice of four questions- Problems)