



# ARSD College, University of Delhi

## Model Course Handout/Lesson Plan

<b>Course Name : B.Com.(Hons)</b>						
Semester	Course Code	Course Title	Lecture (L)	Tutorial (T)	Practical (P)	Credit (C)
Semester VI	BCH 2.2	Corporate Accounting	5	1	-	6
Teacher/Instructor(s)		VIKRAM CHAND				
Session		2021-22				

### Course Objective:

The objective of the course is to acquire the conceptual knowledge of corporate accounting and to understand the various techniques of preparing accounting and financial statements.

**Course Learning Outcomes:** After completing the course, the student shall be able to:

- Develop an understanding of accounting for share capital and debentures
- Prepare financial statements of a company
- Develop an understanding of cash flow statements
- Understand the accounting for amalgamation and liquidation of companies
- Prepare consolidated balance sheet for Holding company

### Lesson Plan:

Unit No.	Learning Objective	Lecture No.	Topics to be covered
1.	Overview of Share Capital & Debentures	1	Accounting of Issue of Shares
		2	Forfeiture & Re-issue of Shares
		3	Right Shares
		4	ESOP, Book Building Process
		5	Bonus Share
		6	Redemption of Preference shares
		7	Redemption of Preference shares
		8	Underwriting of shares and debentures
		9	Redemption of debentures
		10	sinking/debenture redemption fund
		11	open market purchase
		12	conversion of debentures
2.	Preparation of financial Statement of	13	Understand the format of Balance Sheet and P&L Statement as per schedule III Part I & II

	Joint Stock companies as per schedule III Part I & II	14	Prepare P&L with various adjustments
		15	Disposal of Profits, transfer of Profits to Reserve
		16-17	Declaration and payment of Dividends
		18-19	Adjustment of tax
		20	Interest on Investment, Interest on debentures
		21-22	Preparation of Balance Sheet
3.	Preparation of a cash flow statement in accordance with Accounting Standard 3 (Revised)	23	Meaning, Usefulness, Format of Preparation of a cash flow statement
		24	Calculation of Fund from Operations
		25	Adjustment of Tax
		26	Adjustment of Dividend
		27-28	Cash flow from Operating Activities
		29	Cash flow from Financing Activities
		30	Cash flow from Investing Activity
		31-32	Preparation of Cash Flow Statement
4.	Amalgamation, Reconstruction and Liquidation of Companies	33	Amalgamation in the Nature of Purchase or Merger
		34-35	Calculation of Purchase Consideration
		36-37	Accounting treatment in the books of Transferor Co.
		38-39	Accounting treatment in the books of Transferee Co.
		40-41	External Reconstruction
		42	Introduction & Modes of Liquidation
		43-44	Order of Payments, Preferential payments
		45-46	Statement of Affairs, Deficiency or Surplus Account
		47-48	Liquidator's Final Statement of Account
5.	Accounts of Holding Companies/ Parent Companies	49	Introduction of Holding & Subsidiary Companies
		50-52	Minority Interest, Cost of Goodwill
		53-56	Capital Profit, Revenue Profit, Pre-acquisition Losses
		57	Revaluation of Assets
		58	Treatment of Dividends
		59-60	Consolidated financial statements

#### Evaluation Scheme:

No.	Component	Duration	Marks
1.	Internal Assessment		25
	• Quiz		
	• Class Test		
	• Attendance		
2.	• Assignment	3 hr	75
	End Semester Examination		

Details of the Course		
Unit	Contents	Contact Hours
1	<b>Accounting for Share Capital and Debentures:</b> Introduction to issue of shares and debentures. Issue of rights and Bonus shares, ESOPs and buyback of shares, book building. Underwriting of shares and debentures. Redemption of Preference shares, Redemption of debentures: sinking/debenture redemption fund, open market purchase and conversion	12

	of debentures.	
2	<b>Financial Statements of a Company:</b> Preparation of financial Statement of Joint Stock companies as per schedule III Part I & II (Division I in detail and Division II only on overview)	10
3	<b>Cash Flow Statements:</b> Meaning, Usefulness, Preparation of a cash flow statement in accordance with Accounting Standard 3 (Revised) issued by the Institute of Chartered Accountants of India. (Only indirect method), Limitations of cash flow statement.	10
4	<b>Amalgamation, Reconstruction and Liquidation of Companies:</b> Concept of Purchase Consideration. Accounting for Amalgamation of Companies and external reconstruction Accounting for Internal Reconstruction. Accounting for liquidation of companies. Introduction to the Insolvency and Bankruptcy Code, 2016 and other relevant provisions. Preparation of Statement of Affairs as per the format prescribed by the Act and Deficiency Account	16
5	<b>Accounts of Holding Companies/ Parent Companies:</b> Preparation of consolidated balance sheet with one subsidiary company.	12
	<b>Total</b>	<b>60</b>

**Suggested Books:**

Sl. No.	Name of Authors/Books/Publishers	Year of Publication/Reprint
-1	Goyal, Bhushan Kumar. Corporate Accounting. Taxmann, New Delhi	2021
2	Kumar, Alok. Corporate Accounting. Kitab Mahal	2021
3	Monga, J. R. Fundamentals of Corporate Accounting. Mayur Paper Backs, New Delhi	2021
4	Sehgal Ashok & Sehgal Deepak. Corporate Accounting	2021
5	Tulsian P. C. Corporate Accounting. S Chand & Co. New Delhi	2021

**Mode of Evaluation:**

Internal Assessment / End Semester Exam