

## **BACHELORS WITH ACCOUNTING & TAXATION (COMMERCE) AS MAJOR (CT-I)**

### **6<sup>th</sup> SEMESTER**

#### **AAT622J1 ACCOUNTING & TAXATION (COMMERCE) \_ CORPORATE ACCOUNTING - II**

**CREDITS: THEORY - 3; TUTORIAL - 1**

#### **COURSE DESCRIPTION:**

*This course is framed to make students aware about different accounting aspects of corporate Organizations. The course will cover topics like- Accounting for Amalgamation and Internal Reconstruction, Accounting for Holding Companies and Double Accounts system, besides the Liquidation of companies.*

#### **COURSE OBJECTIVES**

1. *To acquire adequate knowledge of practical aspects of the Advanced Corporate Accounts*
2. *To make students understand as to how Insolvency and Liquidation process is carried out.*
3. *To make students understand the accounting procedure for Amalgamation and Internal Reconstruction.*
4. *To make students understand the preparation of accounts of Holding companies and Double Accounts system.*

#### **COURSE OUTCOME:**

*After going through this course, the students are expected to have a clear understanding, knowledge of the Advanced Corporate Accounting concepts and practices.*

#### **UNIT-I: ACCOUNTING FOR AMALGAMATION AND INTERNAL RECONSTRUCTION:**

Meaning of Amalgamation, Absorption & Reconstruction, Purchase consideration and accounting treatment of Amalgamation, Absorption and External Reconstruction, Calculation of Purchase Consideration, Amalgamation in the nature of purchase (with Adjustments), Amalgamation in the nature of Merger (with Adjustments), Internal Reconstruction.

#### **UNIT-II: HOLDING COMPANY ACCOUNTS:**

Definition of Holding Company, Holding Companies (including intercompany holdings with one subsidiary company), Consolidation of Balance Sheet, Treatment of Mutual Owings, Contingent Liabilities, Unrealized Profit, Revaluation of Assets and Minority Interest.

#### **DOUBLE ACCOUNT SYSTEM:**

Meaning, objectives and features of Double Account System, Difference between Government Accounts system and Commercial Accounts System, Types of Government Accounting: Consolidated Funds, Contingent Funds and Public Funds, Preparation of Financial Statements of Government Organizations.

#### **UNIT-III: LIQUIDATION OF COMPANIES**

Liquidation, Modes of winding up or liquidation of a company, Procedure for Liquidation, Contributory Preferential Payments – Statements of Affairs – Liquidator's, Remuneration – Preparation of Liquidator's Final Statement of Account.

#### **TUTORIALS**

*Apart from the individual attention being given to the students, Tutorials shall include the following:*

- A. Case Studies individually or in groups*
- B. Group Discussions on subject specific current issues/developments*
- C. Assignments*
- D. Project Work & Viva-Voice*
- E. Field Visits & Reports*
- F. Practicals wherever applicable*

#### **SUGGESTED READINGS**

1. J.R. Monga, Basic Corporate Accounting, Mayur Paperbacks (c/o K.L. Malik and Sons Pvt. Ltd, 23 – Darya Ganj, New Delhi.
2. M.C., Shukla, T.S. Grewal and S.C. Gupta, Corporate Accounting, S. Chand and Co., New Delhi.
3. Advanced Accountancy Volume I & II- P.C. Tulsian, Pearson Education, New Delhi.
4. Mukherjee and Hanif, Corporate Accounting, Tata McGraw Hill, New Delhi.

**Note: Latest Edition of the Readings may be used.**