

Title: Company Account
Credit Hours: 3

Code: MGMT 331
Year /Semester: II/III

48 Hours

Course Objectives:

The objective of this course is to develop the skills of recording of transactions relating to issue of share & debentures and to impart the skill of preparation final accounts and provide basic knowledge of holding company and liquidation.

Unit 1 Accounting for Share Capital and Debentures

8 Hours

Types of Shares; Issue, forfeited and issue of forfeited Shares; Issue and Redemption of preference shares, Issue and redemption of Debentures, Bonus Shares, Right Issue of Share, Underwriting Commission

Unit 2 Financial Statement

6 Hours

Preparation of Financial Statements as per Companies Act 263; Interpretation of items of Balance Sheet and Income Statement; Disclosure Requirement According to Act/Rules

Unit 3 Amalgamation and Merger of Companies

08 Hours

Legal Framework; Amalgamation in the Nature of Purchase; Amalgamation in the nature of merger; Determination of Purchase Consideration; Methods of Accounting for Amalgamation

Unit 4 Holding Company and Subsidiary Companies

10 Hours

Concept of Holding Company; Determination of Pre-acquisition Profit, Goodwill or Capital Reserve, Minority Interest, Unrealized Profit; Revaluation of Assets; Dividend from Subsidiary Company; Consolidated Financial Statements

Unit 5 Liquidation of Company

6 Hours

Provision Relating to Liquidation of Companies under Companies Act 263; Amount Realised from Sale of Assets; Called Up Unpaid Capital; Determination of Parity in Case of Unequal Calls; Payment or Distribution of Surplus

Unit 6 Cash Flow and Fund Flow

10 Hours

Basic Concept of Cash Flow; Purpose of Statement of Cash Flows; Cash and Cash Equivalent; Format of the Cash Flow Statement; Classification of Cash Flows; Preparation of Cash Flows; Method of Reporting Cash Flow from Operating Activities; Measuring Free Cash Flow

Reference Books:

1. Goyal, V.K. Goyal, R., *Corporate Accounting*, PHL Learning Pvt. Ltd.
2. Mukharjee, A. & Hanif, A. *Modern Accountancy (Vol. II)*, Tata McGraw Hill
3. Maheshwari, S. N. *Advance Accounting*, Vikash Publishing House Pvt. Ltd.
4. Dangol, R. M. *Accounting for Business*, Taleju Prakashan
5. Upadhyaya, T. R., Gautam, R., Paudel, M., Khadka, K., K.C., H., Rawat, K. *Company Account*, Samjhana Publication Pvt. Ltd.