

## COURSE OUTLINE

Course Title: Advanced Accounting  
(Accounting Specialization)

M.Com. Part II (Annual System)

**Course Objectives:**

- To equip the student with the latest tools and techniques in advance accountancy

After studying the course, the student will be able to:

- Understand advance accounting, its characteristics, and application
- Understand consolidation and amalgamation in its financial aspect and effects on financial record
- Understand and apply the lease accounting in accordance with latest International standard on accounting
- Understand and apply branch accounting, Joint venture accounting, and contract accounting at an advanced level.
- Understand and enhance concepts in final accounts of limited companies as studied at bachelor level

Topic
<b>JOINT-VENTURE ACCOUNTS</b>
<ul style="list-style-type: none"> <li>* Introduction &amp; Features of Joint Venture</li> <li>* Memorandum Method</li> <li>* Valuation of unsold stock</li> <li>* Conversion of consignment into joint venture</li> </ul>
<b>COMPANY FINAL ACCOUNTS</b>
<ul style="list-style-type: none"> <li>* Typical adjustment in problems of company final accounts</li> <li>* Depreciation</li> <li>* Interest on debentures</li> <li>* Tax deducted at source</li> <li>* Advance payment of income tax</li> <li>* Provision for taxation</li> <li>* Dividends</li> <li>* Suspense accounts</li> <li>* Profit on revaluation of fixed assets</li> <li>* Discount on issue of debentures</li> <li>* Managerial Remunerations</li> <li>* Divisible profits</li> <li>* P&amp;L appropriation accounts</li> </ul>
<b>BRANCH ACCOUNTING</b>
<ul style="list-style-type: none"> <li>* Independent Branch</li> <li>* Dependent Branches</li> <li>Some special items                             <ul style="list-style-type: none"> <li>o Goods in transit</li> <li>o Cash in transit</li> <li>o Head office expenses charged to branch</li> <li>o Depreciation on branch fixed asset</li> <li>o Inter branch transaction</li> </ul> </li> <li>* Incorporation of branch Trial Balance in the Head Office books</li> <li>* Abridged incorporation</li> <li>* Closing the books of accounts of the branch</li> </ul>
<b>CONTRACT</b>
<ul style="list-style-type: none"> <li>* Basic concepts and rules</li> <li>* Comparison of Cost to cost basis &amp; work certified basis</li> <li>* If work certified and uncertified are given but estimated further cost are unavailable</li> </ul>

<b>CONSOLIDATION</b>
<b>ACQUISITION OF A SUBSIDIARY</b>
<ul style="list-style-type: none"> <li>• At date of acquisition</li> <li>• In the year of acquisition</li> <li>• After year of acquisition</li> <li>• Acquisition since incorporation of subsidiary</li> <li>• Piecemeal acquisition</li> <li>• Non-controlling interest valued at full (or fair value)</li> <li>• Fair value adjustment at acquisition</li> <li>• Acquisition by Issuance of shares</li> <li>• Acquisition during the year</li> </ul>
<b>INTERCOMPANY TRANSACTIONS</b>
<ul style="list-style-type: none"> <li>★ Intercompany sale of goods</li> <li>★ Intercompany sale of fixed assets</li> <li>★ Goods &amp; cash in transit</li> <li>★ Proposed dividend by subsidiary</li> <li>★ Dividend by subsidiary from pre-acquisition profit</li> <li>★ Bonus shares issued by subsidiary</li> <li>★ Inter-company billing by parent to subsidiary for group charges.</li> </ul>
<b>PREFERENCE SHARES AND DEBENTURES IN SUBSIDIARY</b>
<ul style="list-style-type: none"> <li>★ Preference shares</li> <li>★ Debentures</li> </ul>
<b>AMALGAMATION</b>
<ul style="list-style-type: none"> <li>★ Forms of Amalgamation <ul style="list-style-type: none"> <li>○ Merger</li> <li>○ Acquisition</li> </ul> </li> <li>★ Motive for Amalgamation</li> <li>★ Procedures</li> <li>★ Accounting for Amalgamation</li> <li>★ Types of Amalgamation</li> <li>★ Amalgamation in the nature of merger</li> <li>★ Amalgamation in the nature of purchase</li> <li>★ Calculation of purchase consideration</li> <li>★ Methods of accounting for amalgamation</li> <li>★ Purchase method</li> <li>★ Inter-company investments</li> </ul>
<b>ACCOUNTING FOR LEASING</b>
<ul style="list-style-type: none"> <li>★ Introduction</li> <li>★ Basic issues in leasing</li> <li>★ Lease classification the primary accounting issue</li> <li>★ Accounting by lessee</li> <li>★ Books of lesser finance leases</li> <li>★ Residual values</li> <li>★ Impact of Incorrect Lease classification</li> <li>★ Initial direct cost</li> <li>★ General concept and exercises</li> </ul>

**Recommended Text**

1. Javed H Zuberi "Advanced accounting" (latest edition) Pettiwala Book depot Karachi
2. Gupta, R.L & Swamy M Radha, "Advanced Accounting" Sultan Chand & Sons (latest Edition)
3. Mukher Jee Mohammad Hanif " Modern Accountancy" Vol , II (Latest Edition)
4. Shukla M.C & Grewal T.S. "Advanced Accounts" Volume 1 & 2, (Latest edition) Sultan Chand & Sons