

SEMESTER-VIII

COURSE 22: FINANCIAL REPORTING

Theory

Credits: 4

4 hrs/week

Course objectives:

To provide information about the financial position, performance and changes in financial position of an enterprise that is useful to a wide range of users in making economic decisions.

Learning outcomes:

- To learn about introduction of financial reporting, concept, advantage and disadvantages also objectives
- To understand the scope and modes of restructuring competitive advantage
- To evaluate the consolidated financial statements of holding and subsidiary companies
- To gain knowledge on valuation of shares
- To gain knowledge on corporate financial accounting, new trends in accounting and accounting standards.

Syllabus:

Unit 1: Financial Reporting:

Concept, objectives, uses, purpose of financial reporting & specific purpose of report- difficulties in corporate reporting – issues and problems with special reference to published financial statements.

Unit 2: Corporate Restructuring:

Scope and modes of restructuring competitive advantage – various types corporate restructuring strategy.

Unit 3: Consolidated Financial Statements of holding & subsidiary Companies:

Purposes of consolidated financial statements, Consolidation procedures – minority interests, Goodwill, Treatment of pre-acquisition and post-acquisition profit- balance sheet.

Unit 4: Valuation of Shares:

Need for valuation of shares, factors effecting value of shares - methods of valuation of shares: valuation of goodwill: need and methods – normal profit method, super profit method, and capitalization method.

Unit 5: Corporate Financial Accounting:

Objectives scope role of corporate accountant, analysis & interpretation of financial statements, accounting standards. New trend in accounting: human resources accounting, environmental accounting, social responsibility accounting (Theory only).

Practical components:

- Students should learn the concept of objectives of financial reporting with reference to published financial statements
- Analyse the scope and modes of various types of corporate restructuring strategy with real environment.
- Students should form into teams and prepare presentations on the topics in the syllabus and provide them as assignments or seminars
- All the students should make collect information regarding different top companies who have subsidiary companies.
- Students should analyse the overview of valuation of shares.

Reference Books

1. R.S.N. Pillai, Bagarathi & Suma, Fundamentals of Advanced Accounting, Vol1, S Chand, New Delhi.
2. Nehru J. Financial Reporting by diversified companies vision Books, New Delhi.
3. Hawkins David Financial Statements corporations Dow Jones-Irwin Homewood1973.
4. S.P Jain & K.L Narang, Corporate accounting, Kalyani publishers.
5. S.P Jain & K.L Narang, Advanced corporate accounting, Kalyani publishers