

**Course Title: Advanced Financial Accounting – II****Course Objectives:**

This course is continuation of Advanced Financial Accounting – I, taught in 3<sup>rd</sup> Semester. The purpose of this course is to equip the student with the latest tools and techniques in advance accountancy

**Learning Outcomes**

- 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

**Prerequisites:**

Students should have basic knowledge of book keeping and financial accounting.

**Course Contents:****1. Departmental Accounts**

Introduction, Preparation of departmental trading and profit and loss account, Allocation of common expenses, Problems relating to allocation of expenses, Problems relating to calculation of departmental costs, Problems relating to inter-departmental transfers

**2. Branch Accounts**

Introduction, Operation of a branch, accounting systems for branches (including dependent and independent branches) and head office, reciprocal accounts and inter-branch transactions, preparation of combined, statements for head office and branches, foreign branches

**3. Contract Accounts**

Introduction, nature of contract accounts, Accounting for completed contract, accounting for incomplete contract, (profit and loss account and balance sheet)

**4. Accounting for Leasing**

Introduction, leases and their importance, difference between operating and financial leases. Accounting for operating and financial leases, depreciation of leased assets by lessee, bargain purchase and bargain renewal option

**5. Consignment Accounts**

Introduction, distinction between consignment and sale, accounting for consignment in the books of consignor and consignee, Valuation of unsold stock on consignment, accounting for loss of stock, normal and abnormal loss, invoice price in consignment

**6. Accounting for Joint ventures**

Introduction, characteristics of joint venture, difference between joint venture and consignment, difference between joint venture and partnership, accounting records in the books of co-ventures, accounting treatment when separate books of accounts are maintained, accounting treatment when separate book are not maintained

**Teaching Methods:**

Lectures, discussions, presentations, quiz & assignments.

**Assessment Mechanism/Criteria**

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|----------------|---|--|
| 40% (40 Marks) | Internal Assessment by affiliated institution | *15Marks for Assignments, Quizzes and others<br>**25 Marks for Mid-term Exam |
| 60% (60Marks)  | External Assessment by the Punjab University  | Final Term Examination   |

**Suggested Readings:**

1. Meigs & Meigs, Accounting : The Basis for Business Decisions
2. Hanif & Mukharjee, Corporate Accounting

**Additional Suggested Readings:**

1. Meigs & Johnson Advanced Accounting. McGraw Hill
2. Shukla & Grewal, Advanced Accounting
3. R.R. Gupta, Advanced Accounting
4. Hrishikesh Chakraborty, Advanced Accountancy
5. M. A. Ghani, Advanced Accounting