

17BB105-FINANCIAL ACCOUNTING

Course Description and Objective:

This course is intended to provide knowledge on accounting practices to equip students with concepts, process and reporting of financial statements in modern organizations. Students will learn accounting principles, accounting process, preparation of final accounts for sole trading firms and companies and bank reconciliation statement.

Learning Outcomes

By the end of this course it is expected that the student will be able to:

1. Understand Accounting concepts, conventions and principles
2. Accounting system and process- journal and ledger
3. Preparation of final accounts
4. Preparation company accounts

UNIT-I:

- 12 Hrs

Introduction to Accounting: Meaning, Need for Accounting, Objectives of Accounting, Advantages Book-Keeping, , Accounting Terminology, Internal and External users of accounting information, Accounting Cycle, limitations of accounting, Accounting Concepts and Conventions, (GAAP).

UNIT-II:

- 12 Hrs

Accounting systems & process: Double Entry Book-Keeping System, Process of accounting transactions, Classification of Accounts, Journal-Ledger-Trial balance.

UNIT-III:

- 12 Hrs

Preparation of Final Accounts: Concept of Capital and Revenue. Trading - Profit & Loss Account - Balance sheet – Problems with Adjustments.

UNIT-IV

- 12 Hrs

Depreciation and inventory management: Meaning, need & importance of depreciation, methods of charging depreciation. Valuation of Inventory – Methods of Inventory Valuation.

UNIT-V

- 12 Hrs

Company Accounts: Meaning-Importance-Types of Shares & Debentures- Issue-Forfeiture- Re-Issue-Redemption of Debentures.

Skill Development:

(These activities are only indicative, the Faculty member can innovate)

1. Contact an NGO and find out their system of accounting.
2. Collect information with regard to the practical reasons for charging
3. Depreciation and the methods adopted for calculating the same.
4. Generate different types of financial and cost related reports using excel and tally.
5. Find out the accounting system adopted by a Sole Proprietor
6. Differences between Double Entry and Single Entry systems of Book-keeping.
7. Analyse the differences between Profit & Loss Account and Income & Expenditure Account/ Receipts & Payments Account.

Reference Books:

1. Jain S.P., & Narang K L. (nd). *Basic Financial Accounting, I*, New Dehli:Kalyani publishers.
2. Maheshwari, S.N., & Maheshwari, S.K. (2012). *Advanced Accountancy* (10th edi), *I*,New Dehli: Jain Book Agency.
3. Shukla, M. (nd). *Advanced Accounts*, New Delhi: S Chand Group
4. Radhaswamy, M & Gupta, R.L. (2008). *Advanced Accountancy. 2*, New Delhi: Sultan Chand & Sons.
5. Reddy, A. (2011). *Fundamentals of Accounting*. New Delhi: Himalaya Publishing House.