

Bachelor of Commerce Part-1

Group-1

FINANCIAL ACCOUNTING

(Paper Code-1113)

Paper-1 Max. Marks 75

OBJECTIVES

To Impart basic accounting knowledge as applicable to business.

COURSE INPUT

- Unit-I** Meaning and Scope of Accounting: Need, development, and definition, objectives of accounting. Difference between Book-Keeping and accounting; Branches of accounting; Accounting Principles. Accounting Standard: International accounting standard only outlines, Accounting standards in India.
- Accounting Transaction: Accounting Cycle , Journal Rules of debit & Credit, Compound journal Entry Opening Journal entry Relationship between Journal and ledger, Capital and Revenue Classification of Income and Expenditure and Receipts.
- Unit-II** Final accounts; Trial Balance; manufacturing account. Trading account; Profit and Loss Account; Balance sheet; Adjustment entries.
- Rectification of errors; Classification of errors; Location of errors; Rectification of errors; Suspense account; Effect on Profit.
- Unit-III** Depreciation, Provisions and Reserves; Concept of depreciation, Causes of Depreciation; Depreciation, depletion amortization, Depreciation accounting; Methods of recording depreciation, methods of providing depreciation; Depreciation of different assets; Depreciation of replacement cost; Depreciation policies: as per Indian accounting Standards: Provision and Reserve, Accounts of Non-Trading Institutions.
- Unit-IV** Special Accounting Areas: Branch Accounts: Dependent branch: Debtor System. Stock and debtor system. Hire-purchase and Installment purchase system : Meaning of Hire purchase Contract, Legal provision regarding hire-purchase contract, Accounting records for goods of substantial sale values, and accounting records for goods of small values; Installment purchase system; After sales service.
- Unit-V**
- a. Partnership Accounts; Essential characteristics of partnership; Partnership deed, Final Accounts; Adjustments after closing the accounts; Fixed fluctuating capita; goodwill; AS-10; Joint Life Policy; Change in profit sharing ratio.
 - b. Reconstitution of a partnership firm- Admission of a partner, Retirement of a Partner, Death of a Partner, Dissolution of a firm, Accounting Entries; Insolvency of partnership firm- Modes of dissolution of a firm; Accounting entries; Insolvency of partners and distribution.