

JYOTI NIVAS COLLEGE AUTONOMOUS

Name of the Program: Bachelor of Commerce (B.Com.)

Course Code: B.Com. 2.1

Name of the Course: Advanced Financial Accounting

Course Credits	No. of Hours per Week	Total No. of Teaching Hours
4 Credits	4 Hrs	60 Hrs

Pedagogy: Classrooms lecture, Case studies, Tutorial classes, Group discussion, Seminar & field work etc.,

COURSE OBJECTIVES: On successful completion of the course, the Students will be able to

- Understand & compute the amount of claims for loss of stock & loss of Profit.
- Exercise the accounting treatments for consignment transactions & events in the books of consignor and consignee.
- Understanding of joint venture organizations.
- Partnership Agreements.
- Understand the accounting treatment for royalty transactions & articulate the Royalty agreements.

LEARNING OUTCOMES

- Formats for consignment transactions such as proforma invoice and account sales.
- Recording for the purpose of royalty transaction.
- Joint venture form of business, its purpose and accounting.
- Preparation of statement of claim

Syllabus:	Hours
Module No.1: FIRE INSURANCE ACCOUNTING	12
Introduction – Need – Loss of Stock Policy – Steps for Ascertaining Fire Insurance Claim – Treatment of Salvage – Average Clause – Treatment of Abnormal Items – Computation of Fire Insurance Claims.	
Module No. 2: CONSIGNMENT ACCOUNTS	12
Introduction – Meaning – Consignor – Consignee – Goods Invoiced at Cost Price – Goods Invoiced at Selling Price – Normal Loss – Abnormal Loss – Valuation of Stock – Stock Reserve – Journal Entries – Ledger Accounts in the books of Consignor and Consignee.	
Module No. 3: ACCOUNTING FOR JOINT VENTURES	12
Introduction – Meaning – Objectives – Distinction between Joint Venture and Consignment – Distinction between Joint Venture and Partnership – Maintenance of Accounts in the books of co-ventures – Maintaining Separate Books for Joint Venture – Preparation of Memorandum Joint Venture - Problems.	
Module No. 4: ROYALTY ACCOUNTS	12
Meaning and definition – Technical Terms – Royalty – Landlord – Tenant – Minimum Rent – Short Workings – Recoupment of Short Working under (Fixed Period) restrictive and non-restrictive (Floating Period) Recoupment within the Life of the Lease – Treatment of Strike and Stoppage of work – Accounting Treatment in the books of Lessee and lessor – journal entries and Ledger Accounts including minimum rent account.	
Module No. 5: CONVERSION OF PARTNERSHIP FIRM INTO A LIMITED COMPANY	12
Meaning – Objectives of Conversion - Purchase Consideration – Methods of Calculation of Purchase Consideration -Mode of Discharge of Purchase Consideration - Lump Sum Method- Net Assets Method -Net Payment Method -Ledger Accounts in the Books of Vendor – Incorporation Entries in the Books of Purchasing Company, Preparation of Balance Sheet in vertical form.	

SKILL DEVELOPMENTS ACTIVITIES:

1. Identify the procedure & documentations involved in the insurance claims.
2. Preparation of Perform invoice and accounts sales with imaginary figures.
3. Collect Royalty Agreements and draft dummy royalty agreements with imaginary figures.
4. Identify latest innovations and developments in the field of accounting.
5. Any other activities, which are relevant to the course.

TEXT BOOKS:

1. ICAI Study Materials on Principles & Practice of Accounting, Accounting and Advanced Accounting.
2. SP Iyengar (2005), Advanced Accounting, Sultan Chand & Sons, Vol.1.
3. Robert N Anthony, David Hawkins, Kenneth A. Merchant, (2017) Accounting: Text and Cases, McGraw-Hill Education, 13th Edition.
4. Charles T. Horngren and Donna Philbrick, (2013) Introduction to Financial Accounting, Pearson Education, 11th Edition.
5. J.R. Monga, Financial Accounting: Concepts and Applications. Mayur Paper Backs, New Delhi, 32nd Edition.
6. S.N. Maheshwari, and. S. K. Maheshwari. Financial Accounting. Vikas Publishing House, New Delhi, 6th Edition.
7. B.S. Raman (2008), Financial Accounting Vol. I & II, United Publishers & Distributors
8. Compendium of Statements and Standards of Accounting. The Institute of Chartered Accountants of India, New Delhi.

Note: Latest edition of text books may be used.