

**JYOTI NIVAS COLLEGE AUTONOMOUS**

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

**Course Code:** B.Com. 1.1

**Name of the Course:** Financial Accounting

Course Credits	No. of Hours per Week	Total No. of Teaching Hours
<b>4 Credits</b>	<b>4 Hrs</b>	<b>60 Hrs</b>

**Pedagogy:** Classrooms lecture, tutorials, Group discussion, Seminar, Case studies & field work etc.,

**COURSE OBJECTIVES: on successful completion of the course, the students will be able to**

- Understand the theoretical framework of accounting as well as accounting standards.
- Prepare financial statements from incomplete records.
- Learn various methods of accounting for hire purchase transactions.
- Deal with the inter departmental transfers and their accounting treatment.
- Demonstrate various accounting treatments for dependent branches.
- Outline the emerging trends in the field of accounting.

**LEARNING OUTCOMES:**

- Basics of maintaining accounting records.
- Contents of hire purchase agreements.
- Columnar final accounts for departments.
- Maintains of branch accounting in the head office books.

<b>Syllabus:</b>	<b>Hours</b>
<b>Module No.1: THEORETICAL FRAMEWORK OF ACCOUNTING</b>	<b>11</b>
Introduction – Meaning and Definition – Significance of Accounting – Functions of Accounting– Users of Accounting Information - Accounting Principles – Accounting Concepts and Accounting Conventions- Accounting equations, Problems on Accounting Equations - Accounting Standards: List of Indian Accounting Standards.	
<b>Module No. 2: CONVERSION OF SINGLE ENTRY INTO DOUBLE ENTRY SYSTEM</b>	<b>12</b>
Need for Conversion – steps in conversion- ascertainment of capital- total sales- total purchases – Cash and bank balances – stock – Bills Receivable – Bills payable – Preparation of Final accounts – Trading and Profit & Loss Account and Balance Sheet.	
<b>Module No. 3: HIRE PURCHASE ACCOUNTING</b>	<b>12</b>
Meaning of Hire Purchase and Instalment Purchase System- Hire Purchase v/s sale – differences between Hire Purchase and Instalment system, meaning of Some important technical terms – Hire Purchase Agreement – Hire Purchase Price – Cash Price – Hire Purchase Charges – Net Hire Purchase Price – Net Cash Price – Calculation of Interest – Calculation of Cash Price – Journal Entries and Ledger Accounts in the books of Hire Purchaser and Hire Vendor (Asset Accrual Method only and excluding repossession).	
<b>Module No.4: DEPARTMENTAL ACCOUNTS</b>	<b>12</b>
Meaning, Objectives, basis of apportionment of common expenses among different departments- Preparation of Trading and Profit and Loss Account in Columnar form-preparation of balance sheet in horizontal format – (Including Inter Departmental Transfers at cost price only).	
<b>Module No.5: BRANCH ACCOUNTS</b>	<b>13</b>

Branches - Dependent Branches – Features – Supply of Goods at Cost Price - Invoice Price – Branch Account in the books of Head Office (Debtors System Only).

**SKILL DEVELOPMENTS ACTIVITIES:**

1. Collect hire purchase agreements and draft dummy hire purchase agreements with imaginary figures.
2. Identify the common expenditures of an organisation among various departments.
3. Collect the procedure and documentations involved in the establishment of various branches.
4. Visit any sole proprietor firm and identify the steps involved in the conversion of single entry into double entry system.
5. Any other activities, which are relevant to the course.

**TEXT BOOKS:**

1. Arulanandam & Raman – Financial Accounting – I, HPH
2. Anil Kumar, Rajesh Kumar and Mariyappa, “Financial Accounting”, HPH
3. Jawaharlal & Seema Srivastava :Financial Accounting, HPH
4. Dr. S.N. Maheswari: Financial Accounting, Vikas Publications
5. S P Jain and K. L. Narang: Financial Accounting- I, Kalyani Publishers
6. Radhaswamy and R.L. Gupta: Advanced Accounting , Sultan Chand
7. Dr.Janardhanan: Financial Accounting, Kalyani Publishers
8. Guruprasad Murthy: Financial Accounting, HPH
9. Soundarrajan& K. Venkataramana, Financial Accounting, SHBP.
10. Dr.Venkataraman& others ( 7 lecturers): Financial Accounting, VBH

**Note: Latest edition of text books may be used.**