



ARSD College, University of Delhi

Model Course Handout/Lesson Plan

| Course Name : B.Com. (Hons.) | | | | | | |
|------------------------------|-------------|----------------------|-------------|--------------|---------------|------------|
| Semester | Course Code | Course Title | Lecture (L) | Tutorial (T) | Practical (P) | Credit (C) |
| I | BCH(1.2) | Financial Accounting | 4 | 1 | 1 | 6 |
| Teacher/Instructor(s) | | Neetu Yadav | | | | |
| Session | | 2022-23 | | | | |

Course Objective: The Objective of this course is to provide conceptual knowledge of financial accounting and the techniques for preparing Financial Statement.

Course Learning Outcomes:

After completing the course, the student shall be able to:

- understand the theoretical framework of accounting and to prepare financial statements
- explain and determine depreciation and value of inventory
- learn accounting for hire purchase transactions, leases, branches and departments
- understand the concepts of partnership firm and prepare accounts for dissolution of a partnership firm
- Develop trading and profit and loss account and balance sheet using computerized accounting.

Lesson Plan:

| Unit No. | Learning Objective | Lecture No. | Topics to be covered |
|----------|--|-------------|---|
| 1. | Introduction | 1-2 | Conceptual Framework: Accounting principle, Concepts and Conventions Introduction to Accounting Standards and Indian Accounting Standards (AS & Ind AS) Accounting Process: Journal, ledger, Trial Balance, Financial Statements Capital Expenditure (and Receipts), Revenue Expenditure (and Receipts) and Deferred Revenue Expenditure |
| | | 3-6 | Preparation of Financial Statements of a profit making sole proprietorship trading firm with additional information |
| | | 7-12 | Preparation of Financial Statements of a not for profit organization. |
| 2. | Depreciation Accounting and Inventory | 13 | Accounting for Plant Property and Equipment & Depreciation: Meaning of Depreciation, Depletion and amortization |
| | | 14-16 | Objective and Methods of Depreciation (Straight line, Diminishing Balance), |

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| | Valuation | | Change of Method |
| | | 17-19 | Change of Method Of Depreciation |
| | | 20-22 | Inventory Valuation: Meaning, Significance of Inventory Valuation, Inventory Record System-Periodic and Perpetual |
| | | 23- 25 | Methods of Inventory Valuation- FIFO, LIFO and Weighted Average |
| 3. | Special types of Accounting | 26 | Hire Purchase Accounting: Calculation of Interest, Partial and Full Repossession |
| | | 27-29 | Profit Computation (Stock & Debtors System only) |
| | | 30-31 | Accounting for Leases: Concept, Classification of leases and practical problems |
| | | 32-36 | Accounting for Branch : Dependent branches ('Debtors system' and 'Stock & debtors System') and Independent branches |
| | | 37 & 38 | Departmental Accounting: Concept, Type of departments, Basis of allocation of departmental expenses, Methods of departmental accounting |
| | | 39 | Methods of departmental accounting |
| 4. | Accounting for Partnership Firm | 40-42 | Partnership accounts: Fundamentals, Admission, Retirement and Death of a partner (only an overview) |
| | | 43 - 48 | Accounting for Dissolution of Partnership Firm: Dissolution of Partnership Firm including Insolvency of partners |
| | | 49-50 | NUMERICAL QUESTIONS RELATING TO CHAPTE R |
| 5. | Computerized Accounting System | 51-52 | Computerized Accounting System: Computerized accounts by using any popular accounting software: Creating a company |
| | | 53-55 | Configure and Features settings; Creating Accounting Ledgers and Groups, Creating Stock Items and Groups; Vouchers Entry |
| | | 56-58 | Generating Reports – Cash Book, Ledger Accounts, Trail Balance, Profit and Loss Account, Balance Sheet, Funds Flow Statement, Cash Flow Statement, |
| | | 59-60 | Selecting and Shutting a Company; Backup and Restore of Data of a Company |

Evaluation Scheme:

| No. | Component | Duration | Marks |
|-----|---------------------|----------|-------|
| 1. | Internal Assessment | | 25 |
| | • Quiz | | |
| | • Class Test | | |
| | • Attendance | | |
| | • Assignment | | |

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| 2. | Practical Exam | | 20 |
| 3. | End Semester Examination | 2 Hr. | 55 |

| Details of the Course | | |
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| Unit | Contents | Contact Hours |
| 1 | Conceptual Framework: Accounting principle, Concepts and Conventions Introduction to Accounting Standards and Indian Accounting Standards (AS & Ind AS), Accounting Process: Journal, ledger, Trial Balance, Financial Statements (overview) Capital Expenditure (and Receipts), Revenue Expenditure (and Receipts) and Deferred Revenue Expenditure. Preparation of Financial Statements of a profit making sole proprietorship trading firm with additional information, Preparation of Financial Statements of a not for profit organization. | 12 |
| 2 | Accounting for Plant Property and Equipment & Depreciation: Meaning of Depreciation, Depletion and amortization, Objective and Methods of depreciation (Straight line, Diminishing Balance), Change of Method, Inventory Valuation: Meaning, Significance of Inventory Valuation, Inventory Record System-Periodic and Perpetual, Methods of Inventory Valuation- FIFO, LIFO and Weighted Average | 13 |
| 3 | Hire Purchase Accounting: Calculation of Interest, Partial and Full Repossession, profit Computation (Stock & Debtors System only), Accounting for Leases: Concept, Classification of leases (Simple practical problems), Accounting for Branches (excluding foreign branches): Dependent branches ('Debtors system' and 'Stock & debtors System') and overview of Independent branches. Departmental Accounting: Concept, Type of departments, Basis of allocation of departmental expenses, Methods of departmental accounting (excluding memorandum stock and memorandum mark-up account method) | 14 |
| 4 | Partnership accounts: Fundamentals, Admission, Retirement and Death of a partner (only an overview), Accounting for Dissolution of Partnership Firm: Dissolution of Partnership Firm including Insolvency of partners (excluding sale to a limited company), Gradual realization of assets and piecemeal payment of liabilities | 11 |
| 5 | Computerized Accounting System: Computerized accounts by using any popular accounting software: Creating a company; Configure and Features settings; Creating Accounting Ledgers and Groups, Creating Stock Items and Groups; Vouchers Entry; Generating Reports – Cash Book, Ledger Accounts, Trail Balance, Profit and Loss Account, Balance Sheet, Funds Flow Statement, Cash Flow Statement, Selecting and Shutting a Company; Backup and Restore of Data of a Company | 10 |
| | Total | 60 |

Suggested Books:

| Sl. No. | Name of Authors/Books/Publishers |
|----------------|--|
| 1 | Bhushan Kumar Goyal and H.N. Tiwari, Financial Accounting , Taxmann |
| 2 | Alok Kumar Financial Accounting, Singhal Publication. |
| 3 | J R. Monga Financial Accounting: Concept and Applications. Mayur Paper Backs |

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| 4 | P C. Tulsian Financial Accounting, Tata McGraw Hill New Delhi | |
| 5 | Lt Bhupinder. Financial Accounting – Concepts and Applications, Cengage | |
| Mode of Evaluation: | Internal Assessment / Practical /End Semester Exam | |

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