



# ARSD College, University of Delhi

## Model Course Handout/Lesson Plan

<b>Course Name : B.Com.(Hons)</b>						
Semester	Course Code	Course Title	Lecture (L)	Tutorial (T)	Practical (P)	Credit (C)
I	BC 1.2	Financial Accounting	5	1		6
Teacher/Instructor(s)		Dr. RUCHIKA KAURA				
Session		2021-22				

### Course Objective:

This course provides conceptual knowledge of financial accounting and provides knowledge about the techniques for preparing accounts in different type of business organizations.

**Course Learning Outcomes:** After completing the course, the student shall be able to:

- Build an understanding of theoretical framework of accounting and be able to prepare financial statements.
- Explain and determine depreciation and inventory value
- Develop understanding of accounting for hire purchase transactions and lease transactions
- Understand branch and departmental accounting
- Develop the skill of preparation of trading and profit and loss account and balance sheet using computerized accounting or prepare accounts for dissolution of a partnership firm

### Lesson Plan:

Unit No.	Learning Objective	Lecture No.	Topics to be covered
1.		1-3	Introduction to accounting, accounting objectives, concepts, Accounting principle, Concepts and Conventions
		4-5	Introduction to Accounting Standards and Indian Accounting Standards (AS & Ind AS)
		6	Accounting process-brief overview
		7-9	Preparation of Financial Statements of a profit-making sole proprietorship trading firm with additional information
		10-12	Preparation of Financial Statements of a not for profit organizations.
2.		13	Accounting for Plant Property and Equipment & Depreciation: Meaning of Depreciation, Depletion and Amortization, Objective and Methods of depreciation
		14-18	Methods of depreciation (Straight line, Diminishing Balance), Change of Method (Numerical)
		19	Inventory Valuation: Meaning, Significance of

			Inventory Valuation, Inventory Record System-Periodic and Perpetual
		20-22	Methods of Inventory Valuation-FIFO, LIFO and Weighted Average (Numerical)
3.		23-25	Hire Purchase Accounting: Calculation of Interest (Numerical)
		26-30	Partial and Full Repossession, profit Computation - Stock & Debtors System (Numerical)
		31-32	Lease Transactions: Concept, Classification of leases – an overview
4.		33-40	Accounting for Branches: Debtors system and Stock & debtors System (Theory + Numerical)
		41-42	Departmental Accounting: Concept, Type of departments, basis of allocation of departmental expenses
		43-44	Methods of departmental accounting (excluding memorandum stock and memorandum mark-up account method).
5.		45-46	Partnership accounts: Fundamentals, Admission, Retirement and death of partner (only an overview)
		47-48	Accounting for dissolution of firm: insolvency of some partners
		49-50	Accounting for dissolution of firm: insolvency of all partners
		51-53	Accounting for dissolution of firm: Garner Vs Murray Rule
		54-56	Piecemeal Distribution: capital proportion method
		57-60	Piecemeal Distribution: Maximum possible loss method

#### Evaluation Scheme:

No.	Component	Duration	Marks
1.	Internal Assessment		25
	• Quiz		
	• Class Test		
	• Attendance		
	• Assignment		
2.	End Semester Examination	3 hr	75

#### Details of the Course

Unit	Contents	Contact Hours
1	<p><b><u>Introduction</u></b></p> <p>Conceptual Framework: Accounting principle, Concepts and Conventions, Introduction to Accounting Standards and Indian Accounting Standards (AS &amp; Ind AS) Accounting Process: Journal, ledger, Trial Balance, Financial Statements (overview)Capital Expenditure (and Receipts), Revenue Expenditure (and Receipts) and Deferred Revenue Expenditure (overview) Preparation of Financial Statements of a profit-making sole proprietorship trading firm with additional information. Preparation of Financial Statements</p>	12

	of a not for profit organizations.	
2	<b><u>Depreciation accounting and inventory valuation</u></b> 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,	10
3	<b><u>Accounting for hire purchase and lease transactions</u></b> Hire Purchase Accounting: Calculation of Interest, Partial and Full Repossession, profit Computation (Stock & Debtors System only) Lease Transactions: Concept, Classification of leases – an overview	10
4	<b><u>Branch and departmental accounting</u></b> Accounting for Branches (excluding foreign branches): Dependent branches ('Debtors system' and 'Stock & debtors System'). 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).	12
5	<b><u>PART B - Accounting for partnership firm</u></b> 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.	16
	<b>Total</b>	<b>60</b>

**Suggested Books:**

Sl. No.	Name of Authors/Books/Publishers	Year of Publication/Reprint
1	Goyal, Bhushan Kumar. <i>Basic Financial Accounting</i> , Taxmann, New Delhi.	2021
2	Lal, Jawahar, Seema Srivastava & Shivani Abrol. <i>Financial Accounting Text and problems</i> , Himalaya Publishing House, New Delhi.	2021
3	Monga, J. R. <i>Financial Accounting: concept and Applications</i> . Mayur publication, New Delhi	2021
4	Sehgal, Ashok & Sehgal Deepak. <i>Fundamentals of Financial Accounting</i> . Taxmann, New Delhi.	2021
5	Charles, T Horngren, Gart L. Sundem, John A Elliot and Donna R. Philbrick. <i>Introduction to Financial Accounting</i> , Pearson.	2021

**Mode of Evaluation:**

Internal Assessment & End Semester Exam