



MANIPAL UNIVERSITY JAIPUR

School of Business & Commerce

Department of Commerce

Course Hand-out

Financial Accounting - I | CM1101 | 4 Credits | 3 | 0 4

Session: Aug.-Dec.2017 | Faculty: Dr. Tanushree Sharma | Class: B.Com. I Sem.

Course Outcomes: At the end of the course, students will be able to

[CM1101.1]. Describe the Conceptual and Regulatory Framework of Financial Accounting and Different Terminologies used in it.

[CM1101.2]. Explain the process of recording the Accounting Transactions in different sets of books.

[CM1101.3]. Understand how to prepare final accounts for any business or non-profit making organisation with the adjustments, if any.

[CM1101.4]. Understand basic concepts of Depreciation accounting, Causes of Depreciation, Different methods of Depreciation Accounting and its recording.

[CM1101.5]. Learn Accounting for Inventories and methods of inventory measurement.

[CM1101.6]. Understand concept of bank reconciliation statement and reasons for its preparation to increase the skills for analysing different banking statements.

A. SYLLABUS

Conceptual and Regulatory Framework - Users of accounts and the objectives and the qualitative characteristics of financial statements; functions of financial and management accounts; purpose of accounting statements. Capital and revenue; cash and profit; income, expenditure, assets and liabilities. Tangible and intangible assets. Historical cost convention. Methods of asset valuation and their implications for profit measurement and the balance sheet. The regulatory influence of company law and accounting standards. **Accounting Systems** - Meaning, Features, Objectives, Process of Accounting; Book-keeping and accounting, Types of Accounts, Double entry system, Principles, Conventions, Concepts of accounting. Indian Accounting Standards: meaning overview of accounting standards difference between IAS & IFRS. **Recording of Accounting Transactions** - Journal, Subsidiary books: Cash book, sales book, Purchase book, Petty Cash book, Ledger, Trial balance and Rectification of errors. **Preparation of Final Accounts** - Trading account, profit and loss and balance sheet, statement of change in equity and manufacturing accounts. **Depreciation accounting:** Meaning and Purpose-Causes of Depreciation-Different methods of Depreciation Accounting - Straight line method, reducing balance method, annuity method, sinking fund method- Methods of Recording Depreciation in the books of accounts, Change of Method of Depreciation-Accounting Aspects. **Accounting for non-profit organizations and professionals:** Income and Expenditure Accounting, Receipt and payment Account. **Account for Inventories** - meaning, methods of inventory measurement (LIFO, FIFO, Average Cost and Weighted Average Cost method). **Bank reconciliation statement:** Introduction, Meaning-Cash Book and Pass Book- Causes for difference between Cash book and Pass book-Purpose of bank re-conciliation.

B. TEXT BOOKS

- i. Maheshwari S.N.; Financial Accounting, Vikas Public House Pvt. Ltd, New Delhi, 2016.
- ii. Grewal T. S., Double Entry Book Keeping System, Tata McGraw Hill Publication, New Delhi, 2013.

