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| <b>B Com</b>      | <b>Semester: II</b>         | <b>Credits: 4</b> |
| <b>Course: 2A</b> | <b>FINANCIAL ACCOUNTING</b> | <b>Hrs/Wk: 5</b>  |

### Learning Outcomes:

At the end of the course the student will be able to:

- Understand the concept of consignment and learn the accounting treatment of the various aspects of consignment.
- Analyze the accounting process and preparation of accounts in consignment and joint venture.
- Distinguish Joint Venture and Partnership and to learn the methods of maintaining records under Joint Venture.
- Determine the useful life and value of the depreciable assets and maintenance of Reserves in business entities.
- Design an accounting system for different models of businesses at his own using the principles of existing accounting system.

### UNIT I:

**Depreciation:** Meaning and Causes of Depreciation - Methods of Depreciation: Straight Line – Written Down Value – Annuity and Depletion Method (including Problems).

### UNIT II:

**Provisions and Reserves:** Meaning – Provision vs. Reserve – Preparation of Bad Debts Account – Provision for Bad and Doubtful Debts – Provision for Discount on Debtors – Provision for Discount on Creditors - Repairs and Renewals Reserve A/c (including Problems).

### UNIT III:

**Bills of Exchange:** Meaning of Bill – Features of Bill – Parties in the Bill – Discounting of Bill – Renewal of Bill – Entries in the Books of Drawer and Drawee (including Problems).

### UNIT IV:

**Consignment Accounts:** Consignment - Features - Proforma Invoice - Account Sales – Del-credere Commission - Accounting Treatment in the Books of Consigner and Consignee - Valuation of Closing Stock - Normal and Abnormal Losses (including Problems).

### UNIT V:

**Joint Venture Accounts:** Joint Venture - Features - Difference between Joint-Venture and Consignment

– Accounting Procedure – Methods of Keeping Records – One Vendor Keeps the Accounts and Separate Set off Books Methods (including Problems).

### REFERENCE BOOKS:

1. Ranganatham G and Venkataramanaiah, **Financial Accounting-II**, S Chand Publications, New Delhi.
2. T. S. Reddy and A. Murthy - **Financial Accounting**, Margham Publications.
3. R.L. Gupta & V.K. Gupta, **Principles and Practice of Accounting**, Sultan Chand.
4. SN Maheswari and SK Maheswari – **Financial Accounting**, Vikas Publications.
5. S.P. Jain & K.L Narang, **Accountancy-I**, Kalyani Publishers.
6. Tulsan, **Accountancy-I**, Tata McGraw Hill Co.
7. V.K. Goyal, **Financial Accounting**, Excel Books.
8. T.S. Grewal, **Introduction to Accountancy**, Sultan Chand & Co.
9. Haneef and Mukherjee, **Accountancy-I**, Tata McGraw Hill.
10. Arulanandam and Ramana, **Advanced Accountancy**, Himalaya Publishers.
11. S.N. Maheshwari & V.L. Maheswari, **Advanced Accountancy-I**, Vikas Publishers.
12. Prof E Chandraiah, **Financial Accounting**, Seven Hills International Publishers.

**Suggested Co-Curricular Activities:**

- Quiz Programs.
- Problem Solving Exercises.
- Co-operative learning.
- Seminar.
- Group Discussions on problems relating to topics covered by syllabus.
- Reports on Proforma invoice and account sales.
- Visit a consignment and joint venture firms(Individual and Group).
- Collection of proforma of bills and promissory notes.
- Examinations (Scheduled and surprise tests).
- Any similar activities with imaginative thinking beyond the prescribed syllabus