

<b>B.Com</b>	<b>Semester: I</b>	<b>Credits: 4</b>
<b>Course: 1A</b>	<b>FUNDAMENTALS OF ACCOUNTING</b>	<b>Hrs/Wk: 5</b>

### **Learning Outcomes:**

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

- Identify transactions and events that need to be recorded in the books of accounts.
- Equip with the knowledge of accounting process and preparation of final accounts of sole trader.
- Develop the skill of recording financial transactions and preparation of reports in accordance with GAAP.
- Analyze the difference between cash book and pass book in terms of balance and make reconciliation.
- Critically examine the balance sheets of a sole trader for different accounting periods.
- Design new accounting formulas & principles for business organisations.

### **UNIT I:**

**Introduction :** Need for Accounting – Definition – Objectives, – Accounting Concepts and Conventions – GAAP - Accounting Cycle - Classification of Accounts and its Rules – Book Keeping and Accounting - Double Entry Book-Keeping - Journalizing - Posting to Ledgers, Balancing of Ledger Accounts (including Problems).

### **UNIT II:**

**Subsidiary Books:** Types of Subsidiary Books - Cash Book, Three-column Cash Book- Petty Cash Book (including Problems).

### **UNIT III:**

**Trial Balance and Rectification of Errors:** Preparation of Trial balance - Errors – Meaning – Types of Errors – Rectification of Errors – Suspense Account (including Problems)

### **UNIT IV:**

**Bank Reconciliation Statement:** Need for Bank Reconciliation - Reasons for Difference between Cash Book and Pass Book Balances- Preparation of Bank Reconciliation Statement - Problems on both Favourable and Unfavourable Balance (including Problems).

### **UNIT V:**

**Final Accounts:** Preparation of Final Accounts: Trading account – Profit and Loss account – Balance Sheet – Final Accounts with Adjustments (including Problems).

### **TEXT BOOKS:**

1. Ranganatham G and Venkataramanaiah, Fundamentals of Accounting, S Chand Publications.
2. T.S.Reddy & A. Murthy, Financial Accounting, Margham Publications.
3. S N Maheswari and SK Maheswari, Financial Accounting, Vikas Publications.
4. R L Gupta & V K Gupta, Principles and Practice of Accounting, Sultan Chand & Sons.
5. S.P. Jain & K.L Narang, Accountancy-I, Kalyani Publishers.
6. Tulasian, Accountancy -I, Tata McGraw Hill Co.

7. V.K.Goyal, Financial Accounting, Excel Books .
8. K. Arunjothi, Fundamentals of Accounting; Maruthi Publications.
9. Prof EChandraiah : Financial Accounting Seven Hills International Publishers.

**Suggested Co-Curricular Activities:**

- Bridge Course for Non-commerce Students.
- Practice of Terminology of Accounting .
- Quiz, Word Scramble.
- Co-operative learning.
- Seminar.
- Co-operative learning .
- Problem Solving Exercises.
- Matching, Mismatch.
- Creation of Trial Balance.
- Visit a firm (Individual and Group).
- Survey on sole proprietorship and prepare final accounts of concern.
- Group Discussions on problems relating to topics covered in syllabus.
- Examinations (Scheduled and surprise tests).
- Any similar activities with imaginative thinking beyond the prescribed syllabus.