

SUBJECT : PRINCIPLES OF ACCOUNTING
SUBJECT CODE : HBBC

Unit I:

Introduction of accounts- Definition of accounting-Difference between accounting and book keeping- accounting as an information centre- Different users of accounting information- Branches of accounting-Objectives of Accounting- Accounting equation and transaction analysis, Basic accounting principles and accounting concepts and conventions, Double entry system- Nature of accounts- Accounting Standards – national and international (basic knowledge)

Unit II:

Rectification of errors - Bank Reconciliation statement - preparation of final accounts- Trading, profit and loss accounts and Balance sheet
Accounting for Non Trading Concerns : Preparation of Receipts and Payments Account, Income & Expenditure Account and Balance Sheet (simple problems).
Computation of loss of stock by fire- ascertainment of claim as per the insurance policy. (Loss of profit and consequential loss excluded)
Hire Purchase and Installment system-Legal provision regarding hire purchase contract
Joint Venture and Consignment accounts (only simple problems for understanding)

Unit III:

Partnership Accounts : Essential Characteristics of Partnership- Partnership Deed- Fixed and fluctuating capital.
Reconstitution of a partnership firm-Admission of a partner; Retirement of a partner- Death of a partner
Dissolution of Partnership Firm- Mode of Dissolution of a firm- Insolvency of Partners-Sale of firm to a company- Gradual Realization of Assets and Piecemeal distribution.

Unit IV:

Company Accounts: Meaning of Company -Maintenance of Books of Account- Statutory Books- Profit or Loss Prior to incorporation- Final Accounts of Company- Alteration of share capital- Preferential allotment, Employees stock option- Buy back of securities.

Unit V:

Analysis of financial statements – Financial ratio analysis, cash flow (as per Accounting Standard 3) and funds flow statement analysis.

Books Recommended:

1. Financial Accounting by S.P. Jain and K.L. Narang.
2. Advanced accounting by R.L.Gupta and V.K.Gupta
3. Advance Accounts by Shukla & Grewal
4. Advance Accountancy by R. L. Gupta and M Radhaswamy
5. Modern Accountancy by Mukherjee and Hanif
6. Financial Accounting by P. C. Tulsian
7. Accounting Principles by Anthony, R.N. and Reece J.S.
8. Financial Accounting by Monga, J.R. Ahuja, Girish and Shehgal Asho
9. Management Accounting –S.N.Maheshwari
- 10 Introduction to Financial Statement Analysis by Ashish K. Battacharya
