**Core Course Details**

**CORE COURSE 1**

**Semester 1**

**Financial Accounting**

**Programme(s) in which it is offered: B.Com International Accounting(Honours)**

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| --- | --- |
| Course Category: Core | Schedule of Offering: Odd |
| Course Credit Structure: 4 | Course Code: ACOU1101 |
| Total Number of Hours: 60 | Contact Hours Per Week: 5 |
| Lecture: 4 | Tutorial: 0 |
| Practical: 0 | Medium of Instruction: English |
| Date of Revision: 26-12-2023 | Skill Focus: Employability |
| Short Name of the Course: FA | Course Stream |
| Grading Method: Regular | Repeatable: Credit |
| Course Level: Introductory |  |

**Course Description**

This course in Financial Accounting covers a comprehensive spectrum of topics, from the foundational aspects of financial reporting to regulatory frameworks like IFRS and Ind AS. It delves into control accounts, the preparation of financial statements for sole proprietors, and specialized topics like Inland Branch Accounts, providing a robust understanding of accounting principles and practices.

**Course Objective**

1. Understand the fundamentals of financial accounting, including the elements of financial reports and the conceptual framework for reporting.
2. Explore the regulatory frameworks governing financial reporting, such as IFRS and Ind AS, and their application in a global context.
3. Develop proficiency in preparing financial statements for sole proprietors, including statement of profit and loss, statement of financial position, and statement of cash flow as per Ind AS compliance.
4. Gain insight into specialized accounting for inland branches, covering dependent and independent branch accounting and the consolidation process.

**Course Outcome**

* Students willunderstand the theoretical framework of accounting and to prepare financial statements.
* Students will be able to explain and determine the international and Indian regulatory framework for financial reporting.
* Students will learn control accounts, rectification of errors and Bank reconciliation statements.
* Students will develop the skill of preparing financial statements of Sole-proprietorship firms including Cash flow statement
* Students will understand the concepts of inland branch accounts and prepare accounts for branch accounts.

**PO-CO Mapping**

**PO-CO Mapping Matrix**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| CO/PO Mapping | | CO1 | CO2 | CO3 | CO4 | CO5 |
| PLO1: Complex problem-solving | | 2 |  | 3 |  |  |
| PLO2: Critical thinking | |  | 2 |  |  |  |
| PLO3: Creativity | |  |  |  |  | 2 |
| PLO4: Communication Skills | | 1 |  | 1 |  |  |
| PLO5: Analytical reasoning/ thinking | | 3 |  |  | 2 |  |
| PLO6: Research-related skills | |  | 1 |  |  |  |
| PLO7: Coordinating/collaborating with others | |  |  | 2 |  | 2 |
| PLO8: Leadership readiness/qualities | |  |  |  |  |  |
| PLO09: Learning how to learn skills | |  |  |  | 2 |  |
| PLO 10: Digital and technological skills | |  |  |  |  |  |
| PLO11: Multicultural competence and inclusive spirit | |  |  |  |  |  |
| PLO12: Value Inculcation- Indian Knowledge System | |  |  |  |  |  |
| PLO13: Autonomy, responsibility, and  Accountability | |  |  |  |  |  |
| PLO14: Environmental awareness and action | |  |  |  |  |  |
| PLO15: Community engagement and service | |  |  |  |  |  |
| PLO16: Empathy | |  |  |  |  |  |
|  | 1= Low Correlation, 2= Moderate Correlation, 3= High Correlation | | | | | |

**Prerequisites and other constraints**

Since this course will be taught in English, students taking this course must be comfortable with the basic usage of English.

**Pedagogy**

The course will employ a blended learning approach comprising lectures, case studies, and practical exercises. Hands-on practice will facilitate a deeper understanding of control accounts, financial statement preparation, and branch accounting. Continuous assessments and group projects will reinforce learning outcomes.

**Evaluation Pattern**

**Evaluation Matrix**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Continuous Internal  Assessment (CIA) Components\* | Component Type | Weightage Percentage | Total  Marks | Tentative Dates | Course Outcome Mapping |
| MSE | 33.33% | 10 | Week 10 | 1 & 2 |
| Assignment | 33.33% | 10 | Week 3 & 10 | 1 & 3 |
| Presentations/ Quizzes | 33.33% | 10 | Week 8 & 9 | 2, 4 & 5 |
| CIA Marks | 100% | 30 |  |  |
| ESE | | 70% | 70 |  | 1,2,3,4, & 5 |

 \* The assignments involved in CIA will be subject to plagiarism checks. A submission with unexplained similarities exceeding 30% for Undergraduate courses, 20% for Postgraduate courses and 10% for PhD courses will be reverted for resubmission. The final submission is subject to score penalization as defined by the course instructor at the start of the course, with a clear communication of the same to all the registered candidates.

**Modules**

**Module 1: - Basics of Financial Accounting (12 Hours)**

**Unit 1:** Definition of financial accounting – users of financial statements – elements of financial reports – Conceptual framework for financial reporting – meaning – need for conceptual framework – qualitative characteristics of financial statementcharacteristics of useful information – capital & revenue expenditure – assets, liability, equity, income and expenses.

**Module 2: Regulatory framework for financial reporting (12 Hours)**

**Unit 1:** Regulatory framework for financial reporting – meaning – need for regulatory frame work -principle based and rule based frame work – IASB standard setting process – relationship between national standard setters to the IASB

**Unit 2**: IFRS- Understand the use of IFRS – Need for convergence towards global Standards – benefits and challenges in the implementation of IFRS in India - Standard setting process of IFRS – Process of transition to IFRS for the first time – adoption of IFRS in India –List of IFRS.

**Unit 3**: Ind AS - Mapping of Ind AS to IFRS -difference between IFRS and Ind AS – List of Ind AS - Application of Ind AS - Ind AS (2) Inventories – Ind AS (16) Property, Plant & Equipment -Tangible Assets - Intangible assets – Accounting for depreciation and amortisation–Accounting for bad and doubtful debts - Ind AS (37) Provisions & Contingencies

**Module 3: Control Accounts (12 Hours)**

**Unit 1:** Meaning and objectives – preparation of common control accounts – reconciliation of control accounts - Accounting records – accounting process – trial balance – Rectification of errors and Suspense Account

**Unit 2:** Bank Reconciliation Statement.

**Module 4: Preparation of financial statements of Sole Proprietors: (12 Hours)**

**Unit 1:** –Introduction to final accounts of sole proprietors – Presentation of Financial Statements Ind AS (1) - Preparation of statement of profit and loss with adjustments –provisions & reserves-– Preparation of Statement of Financial Position.

**Unit 2:** Statement of Cash Flow – Meaning and scope of statement of cash flow – benefits of cash flow statements – classifications in the statement of cash flow -methods in the preparation of statement of cash flow: direct method and indirect method- Preparation of Statement of Cash Flow (As per the compliance of Ind AS 7)

**Module 5: Inland Branch Accounts (12 Hours)**

**Unit 1**: Accounting for Dependent branches keeping full system of accounting – Debtors System and Stock and Debtors System; Accounting for Independent Branches – Incorporation of Branch Balance in the Books of H.O – Cash in Transit and Goods in Transit – Consolidated Profit and Loss Account and Balance Sheet

**References:**

1. Ashok, Sehgal, & Deepak, Sehgal, Financial Accounting, *Taxmann Allied Service (Pvt.) Ltd*, *New Delhi.*
2. Jain, S.P., & Narang, K.L., Advanced Accountancy, *Kalyani Publishers*, *New* Delhi.
3. Maheshwari, S.N., & Maheswari, S.K., Advanced Accountancy, *Vikas Publishing House*, *New Delhi.* (for practicing problems)
4. Shukla, M.C., Grewal, T.S. & Gupta S.C., Advanced Accounts. Vol.-I*.*, *S Chand and Company (Pvt.) Ltd*, *New Delhi.*
5. Tulsian, P.C. Financial Accounting*, Pearson Education*.