

St. Josephs Degree & PG College
B.Com (IF&A)(CBCS)
Semester-II
Financial Accounting II (w.e.f 2017-18)

Scheme of Instruction

Total duration :60Hrs
Hours / Week :5
Credits : 5
Instruction Mode : Lecture
Course Code : BC.06.101.210T
:3Hrs

Scheme of Examination

Max Marks :100
Internal Examination :30
Skill Based Test :10
External Semester Exam:60
Exam Duration

Course Objectives:

To develop knowledge and understanding of the underlying principles and concepts relating to financial accounting and technical proficiency in the use of double-entry accounting techniques including the preparation of basic financial statements.

Course Outcomes:

- CO 1: Students will be able to prepare a trial balance (including identifying and correcting errors)
- CO 2: Students will develop basic knowledge in preparation of financial statements for incorporated and unincorporated entities.
- CO3: Students can formulate simple consolidated financial statements
- CO4: Students can calculate accounting ratios and interpret them
- CO 5: Students will be able to explain the process and techniques of analysis of financial statements and interpret the same

Module – 1: Single Entry System/ Incomplete Records

12 Hrs

Understand and apply techniques used in incomplete record situations:

- I. Use of accounting equation
- II. Use of ledger accounts to calculate missing figures
- III. Use of cash and bank summaries
- IV. Use of profit percentages to calculate missing figures.

Module – 2: Statements of Cash Flows

12 Hrs

Differentiate between profit and cash flow- understand the need of management to control cash flow-Recognize the benefits and drawbacks to users of the financial statements of a statement of cash flows- Classify the effect of transaction on cash flows- Calculate the figures needed for the statement of cash flows- Calculate the cash flow from operating activities using the indirect and direct method.

Module – 3: Preparing Simple Consolidated Financial Statements

12 Hrs

Subsidiaries and Associates :

Meaning of basic terms ;Preparation of consolidated Financial Statements ;Goodwill – Elimination of Inter company transactions – unrealised profits .

Module – 4: Ratio Analysis

12 Hrs

Meaning-classification-calculate key accounting ratios-Explain the purpose of interpretation of ratios.-Explain the interrelationship between ratios.

Module – 5: Importance and purpose of analysis of financial statements (theory only)

12Hrs

Meaning- Process and techniques of analysis of financial statements-Describe how the interpretation and analysis of financial statements is used in a business environment. - Draw valid conclusions from the information contained within the financial statements and present these to the appropriate user of the financial statements.

Books for Reference:

*Fundamentals of Financial Accounting, Becker Educational Development Corp
2016*

Fundamentals of Financial Accounting, Kaplan Publishing, 2016

*Fundamentals of Financial Accounting, BPP Learning Media LTD,
2016*

Financial Accounting, Paul S K, New Central Book Agency.

Financial Accounting, Jain S.P, Narang K L, Kalyani Publishers, Delhi.