

Course Title: **Financial Accounting (3 Cr.)**

Course Code: **CACS152**

Year/Semester: **I/II**

Class Load: **5 Hrs. / Week (Theory: 3 Hrs, Tutorial: 1 Hr., Practical: 1 Hr.)**

Course Description

This course includes both theoretical as well as practical concept of financial accounting so that students can understand working principle of financial accounting and hence can use the concept in developing application related to financial sector.

Course Objectives

The general objective of this course is to develop conceptual understanding of the fundamentals of financial accounting system.

Course Contents

Unit 1 Theoretical Framework

4 Hrs.

Meaning and Scope of Accounting: Meaning of Accounting, Procedural Aspects of Accounting, Evolution of Accounting as a Social Science, Objectives of Accounting, Functions of Accounting, Sub-fields of Accounting, Users of Accounting Information, Relationship of Accounting with Other Disciplines, Limitation of Accounting, Role of Accountant in the Society.

Accounting Concepts, Principles and Conventions: Accounting Concepts, Principles & Conventions – an Overview, Qualitative Characteristics of Financial Statements, Fundamentals Accounting Assumptions.

Accounting Standards: Concepts, Objectives, Benefits & An Overview of Nepal Accounting Standards

Accounting Policies: Meaning, Selection of Accounting Policies and Changes in Accounting Policies

Unit 2 Accounting Process

10 Hrs.

Books Of Accounts Leading to The Preparation of Trial Balance, Journal Entries, Double Entry System, Advantage of Double Entry System, Concepts of Transaction and Events, Classification of Accounts, Golden Rules of Accounting, Advantages of Journal, Ledger, Trial Balance, Subsidiary Books Including Cash Books, Capital and Revenue Expenditures and Receipts, Contingent Assets and Contingent Liabilities, Errors Including Rectifications Thereof.

Unit 3 Bank Reconciliation Statement

4 Hrs.

Introductions, Ascertaining the Causes of Differences of Bank Balance in Bank. Column of the Cash-Book and in Pass- Book, Procedure for Reconciling the Cash- Book Balance with the Pass-Book Balance, Importance of Bank Reconciliation Statement.

Unit 4 Depreciation Accounting**4 Hrs.**

Concepts of Depreciation, Objectives for Providing Depreciation, Methods for Providing Depreciation, Accounting for Depreciation

Unit 5 Inventories**4 Hrs.**

Meaning, Basis and Technique of Inventory Valuation, Inventory Recording System, Stock Taking

Unit 6 Preparation of Final Accounts for Sole Proprietors**10 Hrs.**

Concept of Closing Entries in respect of Trading and Profit & Loss Account, Concept of Accrual Basis of Accounting, Matching Concept and Dual Aspects, Concept on Manufacturing Account, Preparation of Balance Sheet, Arrangement and Classification of Assets and Liabilities

Unit 7 Introduction to Company Accounts**9 Hrs.**

Meaning of Company, Salient Features of Company, Types of Company, Preparation of Financial Statements, Share Capital and its types, Debentures and its types, Distinction between Debentures and Shares, Issue of Shares and Debentures, Redemption of Preference Shares

Laboratory Works

Laboratory works should be carried out using any accounting packages (such as Tally, Fact etc.) to implement the concepts discussed in the above mentioned topics.

Teaching Methods

The general teaching pedagogy includes class lectures, group discussions, case studies, guest lectures, research work, project work, assignments (theoretical and practical), tutorials and examinations (written and verbal), depending upon the nature of the topics. The teaching faculty will determine the choice of teaching pedagogy as per the need of the topics.

Evaluation

Examination Scheme				
Internal Assessment		External Assessment		Total
Theory	Practical	Theory	Practical	
20	20 (3 Hrs.)	60 (3 Hrs.)	-	100

Text Book

1. Andrew Thomas & Anne Marie Ward, "*Introduction to Financial Accounting 7/e*", Mc Graw Hill 2012 ISBN: 9780077132682

Reference Books

1. Narayanaswamy, R., "*Financial Accounting: A Managerial Perspective*", Prentice Hall of India, New Delhi.
2. Porter, Gary A. Norton, Curtis L., "*Financial Accounting: The Impact on Decision Makers*", The Dryden Press, USA.



flyghar.com

flyghar.com