

**K L UNIVERSITY**  
**DEPARTMENT OF COMMERCE**  
**B.Com (Honours) (Accounting & Finance)**  
**II - SEMESTER**

**FINANCIAL ACCOUNTING**

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**Unit I: Rectification of Errors: (5 Hours)**

Different Kinds of Errors - Rectification of Errors before and after preparations of Final Accounts - Suspense Account - Effect of Errors on Profit.

**Unit II: Consignment and Joint Venture: (10 Hours)**

Consignment - Features, Terms used - Proforma invoice - Account sale - Consignee Commission - Delcredere commission - Accounting treatment in the books of the Consignor and the Consignee - Valuation of Unsold Stock - Normal and Abnormal Loss - Invoice of goods at a price higher than the cost price. - Joint ventures -features-difference between joint venture and consignment, Accounting Procedure – Methods of keeping records for Joint venture accounts-method of recording in co ventures books-separate set of books method

**Unit III: Accounts of non-Trading Concerns: (6 Hours)**

Features of Non- Trading Concerns – Preparation of Receipts and Payments Accounts – Preparation of Income and Expenditure Account – Preparation of Balance sheet.

**Unit IV: Partnership Accounts: (12Hours)**

Meaning of Partnership - Features of Partnership - Partnership Deed - Fixed and Fluctuating Capitals – Appropriation of Profits - Admission of a Partner – Change in Profit Sharing Ratio - Treatment of Goodwill – Revaluation of Assets and Liabilities – Retirement of a Partner – Retirement cum Admission - Death of a Partner - Dissolution of Partnership Firm – Insolvency of a Partner – Application of Garner vs. Murray

**Unit V: Introduction to Company Accounts: (12 Hours)**

Meaning and Characteristics of Company – Kinds of Companies – Incorporation of a Company – Issue of Shares – Accounting Entries - Issue at par, at Premium and at Discount - Forfeiture of Shares - Reissue of Forfeited Shares - Redemption of preference shares - Issue of Debentures.

**Text Books:**

1. S.P.Jain and K.L.Narang, Financial Accountin–II, Kalyani Publishers,2005, 2<sup>nd</sup> Edition, New Delhi
2. S.N.Maheswari & S.K Maheswari, Financial Accounting, Vikas Publishing House, 2009, 4<sup>th</sup> Edition, New Delhi

**Reference Books:**

1. Mukerjee and Hanif, Modern Accountancy, Tata Mcgraw Hill co, 2009, 1<sup>st</sup> Edition, New Delhi

2. *Mukerjee*, Financial Accounting, *Tata Mcgraw Hill co*, 2008, *1<sup>st</sup> Edition*, New Delhi
3. S.N.Maheswari & S.K Maheswari, Advanced Accountancy Volume – I, Vikas Publishing House, 2010, 9<sup>th</sup> Edition, New Delhi