

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

Advanced Financial Accounting

Unit – I: Accounts from Incomplete Records: (Hours : 8)

Single Entry: Features – books and accounts maintained- Recording of transactions - Ascertainment of Profit. Statement of Affairs method – Conversion of Single entry into Double entry – Trading and Profit and Loss A/c and Balance Sheet

Unit II: Hire purchase and installment purchase system: (Hours : 8)

Hire Purchase System - Features -- Accounting Treatment in the Books of Hire Purchaser and Hire Vendor - Default and Repossession- Hire purchase Trading A/c - Installment Purchase System - Difference between Hire purchase and Installment purchase systems - Accounting Treatment in the books of Purchaser and Vendor

Unit III: Royalties(Hours : 5)

Definition – Minimum Rent – Short workings – Recovery of Short workings – Journal Entries in the books of Landlord and lessees – Strike period treatment

Unit-IV : Branch and Departmental Accounts: (Hours: 12)

Dependent Branches: features-Books of accounts- methods of accounting of dependent branches - Debtors System, Stock and debtors system.

Departmental Accounts: need, features, Basis for Allocation of Expenses, treatment of Inter - Departmental Transfer at cost or Selling Price-Treatment of Expenses that cannot be allocated – Preparation of departmental profit and loss.

Unit V: Company final accounts - issue of Bonus shares and Profits Prior to Incorporation. (Hours : 12)

Preparation of Final Accounts – Provisions relating to preparation of final accounts – Profit and loss account and balance sheet - Issue of bonus shares-Provisions of company's Act and SEBI guide lines. - Acquisition of business and profits prior to incorporation. – Accounting treatment

Insurance Claims – Preparation of Memorandum Trading A/c – Statement showing the claim to be claimed from the insurance company – loss of goods – average clause.

Text Book:

1. R.L. Gupta & V.K. Gupta , Principles and Practice of Accounting, Sulthan Chand &sons, 2010, 1st Edition, New Delhi.
2. S.P.Jain & K.L. Narang , Financial Accounting – II, Kalyani Publishers, 2005, 2nd Edition, New Delhi.

Reference Books

1. S.N.Maheswari & V.L.Maheswari, Advanced Accountancy – I, Vikas Publishing House, 2010, 3rd Edition, New Delhi.

2. Mohamed Hanif, Amitabha Mukherjee, Advanced Accounting, Tata McgrawHill Company, 2009, 1st Edition, New Delhi.

3. R.L. Gupta and Radhaswamy , Advanced Accountancy: Sulthan Chand &sons, 2009, 6th Edition, New Delhi.