

Second Allied Paper I – Financial Accounting

Unit I

Meaning of accounting – meaning and objects of Book Keeping – accounting – concepts and conventions – Principles of double entry – kinds of accounts – journal and ledger accounts.

Unit II

Subsidiary books – purchase book, sales book, purchase returns book, bills receivable book, bills payable book, cash book, Analytical petty cash book and journal proper – bank reconciliation statement.

Unit III

Trial balance – preparation – errors disclosed and Errors not disclosed by its suspense account – rectification of errors.

Unit IV

Preparation of final accounts – trading account, profit and loss account, balance sheet – adjusting and closing entries.

Methods of Depreciation (Fixed Percentage on Original Cost Method and Diminishing Balance Method only).

Unit V

Bills of exchange – bill transaction, discounting endorsement – sending bill for collection, noting of a bill, renewal of a bill – insolvency of acceptor.

Text

“Principles of accountancy, by N. Vinayakam, P.L. Mani, K.L. Nagarajan, EURASIA Publishing House (PVT) ltd. Ram Nagar, New Delhi 110 055.

Reference:

“Advanced Accountancy” by Jain & Narang, KALYANI Publishers, New Delhi.