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| COURSE TITLE | FOUNDATION OF FINANCIAL ACCOUNTING |
| COURSE CODE | 05FN0105 |
| COURSE CREDITS | 4 |

Objective:

- 1 To impart a thorough understanding of need for Accounting, Process of Accounting and Accounting Conventions.
- 2 To impart a thorough understanding of how to create a Company in Accounting Software and also how to shut a company and alter the details of the company.
- 3 To impart a thorough familiarity with how to enter the accounting details in accounting software.
- 4 To impart a thorough understanding of key concepts such as Balance Sheet, accounting equation.
- 5 To introduce technique for representation of the Accounting Data of a Company.

Course Outcomes: After completion of this course, student will be able to:

- 1 Students can empower with a holistic grasp of accounting fundamentals, including its meaning, significance, users (both internal and external), limitations, distinctions between capital and revenue expenditures, various systems of accounting, the accounting process, conventions, and practical problem-solving skills pertaining to different types of cash books.
- 2 Students can empower with the foundational knowledge necessary for navigating and utilizing ERP systems, including understanding mouse and keyboard conventions, company creation, configuration settings, voucher types, and inventory management processes such as purchase and sales order processing, invoicing, and stock ledger management.
- 3 Students can empower with practical skills in recording transactions using ERP systems, including creating accounting vouchers such as receipt vouchers, understanding account payables and receivables, and managing bill-wise details, while also introducing concepts like debt note vouchers, credit note vouchers, and journal vouchers.
- 4 Students can empower with covering key concepts such as the balance sheet, accounting equation, and balance sheet structures, including detailed discussions on asset classification (current and non-current assets), liabilities (current and non-current liabilities), and distinctions between secured and unsecured liabilities.
- 5 Students can gain a thorough understanding of accounting fundamentals, including the need for accounting, accounting process, conventions, creating, altering, and shutting a company in accounting software, entering accounting details, key concepts like balance sheet and accounting equation, and techniques for representing accounting data.

Pre-requisite of course:Basic Knowledge of Accounts

Teaching and Examination Scheme

| Theory Hours | Tutorial Hours | Practical Hours | ESE | IA | CSE | Viva | Term Work |
|--------------------|---|-----------------|-----|----|-----|------|---------------|
| 2 | 0 | 4 | 50 | 30 | 20 | 0 | 50 |
| Contents : Unit | Topics | | | | | | Contact Hours |
| 1 | Conceptual Framework of Accounting & ERP Meaning, Need for accounting, Internal and External users of accounting information, limitations of accounting, Capital and revenue expenditures, Systems of Accounting, Process of Accounting, Accounting conventions, Conceptual introduction to Practical problems in Cash Book- Single column, double column, and three columnar cash-book., Introduction, getting started with ERP- mouse, keyboard conventions, Company creation, shut a company, selects a company details, and alter company details, Company Features and configurations, Voucher types, Payment Vouchers, Receipt Vouchers, Stock Ledgers, Invoicing, Inventory Vouchers, Inventory journals, Purchase and Sales Order processing, Delivery Notes Journals | | | | | | 15 |
| 2 | Advanced Accounting ERP, Balance Sheet & Liabilities Recording transactions in ERP, Accounting Vouchers, Receipt Vouchers, , Introductions Account Payable and Receivables, maintaining bill wise details, Debt note vouchers, Credit note vouchers, journal vouchers, Balance Sheet, Accounting Equation, Balance Sheet Structures, Assets- Current Assets, Non-Current Assets, Classification of Assets Liabilities, Current Liabilities, Non-Current Liabilities, Secured and Unsecured Liabilities | | | | | | 15 |
| Total Hours | | | | | | | 30 |

Suggested List of Experiments:

| Contents : Unit | Topics | Contact Hours |
|----------------------------|--|--------------------------|
| 1 | Unit 1 Explain the component of Financial Statement, Explain the Basics of Accounts. , Describe Accounting Standards, Explain the Capital Structure of a firm. , Explain the users of Financial Statement., Create a Company with its official address., Create a below different Purchase Ledger Account with main head of Purchase Account. a) Purchase Local 12% b) Purchase Local 0% c) Purchase Return d) Purchase Exempt (Unregistered Dealer) e) Purchase Taxable (Unregistered Dealer), Create a below different Sales Ledger Account with main head of Sale Account. a) Sales Local 12% (Registered) b) Sales (Own Branch) c) Sales Return d) Sales to Consumer (Exempt) e) Sales to Consumer (Taxable 12%), Create a below different Fixed Assets with main head of Fixed Asset. a) Furniture b) Machine c) Plant & Machinery d) Mobile e) Land & Building, Create Following Items with given Opening stock: Group: Shampoo Unit: Numbers – 0 Item Name Opening Stock Godown Rate Amount Vatica 2000 Main Location 20 30000 Sun Silk Pink 1500 40 60000 Sun Silk Black 2200 45 67500 Lux 4500 10 15000 Clinic Plus 1500 20 30000 Head & Shoulder 2100 15 22500 Nile Herbal 1400 20 30000 Ultra 1300 35 52500 Chick 1600 25 37500 Pantine 1400 20 30000 | 30 |

Suggested List of Experiments:

| Contents : Unit | Topics | Contact Hours |
|--------------------|---|---------------|
| 2 | Unit 2 Record the following transactions in Tally. a) Robert commenced a transport business with a capital of Rs. 1,00,000/-. b) An account was opened with State Bank of India and deposited Rs. 30,000/-. c) Purchased Furniture by paying cash Rs. 10,000/- d) Goods purchased on credit from Mahideen for Rs. 20,000/- e) Cash Sales made for Rs. 8,000/-, Continue from Practical 1. a) Goods Purchased from Rathinam for Rs. 5,000/- and money deposited in CDM. b) Goods sold to Rony on credit for Rs. 60,000/-. c) Money withdrawn from bank for office use Rs. 9,000/- d) Part payment of Rs. 10,000/- made to Mahaideen by cheque. e) Salaries paid to staff through ECS Rs. 6,000/- f) Wages of Rs. 3,000/- paid by cash. g) Purchased stationery from Pandian Ltd. on credit Rs. 4,000/-, Record the following transactions in Tally. a) Mr. Samarth started business with a Capital of Rs. 5,00,000/-. b) Purchase Goods for cash of Rs. 50,000/- c) Purchased Machinery Rs. 1,00,000/- d) Paid for Printing & Stationery Rs. 1,500/- e) Purchased Office Furniture Rs. 50,000/- f) Octroi paid Rs. 1,500/-, Continue from Practical 3. a) Wages Paid Rs. 1,000/- b) Open Bank Account in SBM Bank with cash Rs. 25,000/- c) Sold Goods for cash Rs. 75,000/- d) Purchased goods from Arise India on credit Rs. 1,25,000/- e) Return Goods from Arise India Rs. 5,000/- f) Sold Goods on credit to Piyush Rs.1,55,000/- g) Return Goods from Piyush Rs.5,000/- h) Cash received from Piyush on account Rs. 1,00,000/- i) Cash paid to Arise India on account Rs. 85,000/-, Continue from Practical 3. a) Electricity paid Rs. 1,000/- b) Deposited cash of Rs. 5,000/- to SBM Bank. c) Sold goods on credit to Shachi Traders RS. 1,55,000/- d) Commission received Rs. 20,000/- e) Telephone bill paid Rs. 1,500/- f) Received loan from Canara Bank Rs. 1,00,000/- g) Sold goods on credit to Pranav Rs. 95,450/- h) Purchase building for Rs. 1,00,000/- i) Rent paid Rs. 5,000/-, Create Trial Balance from Practical 1., Create Trial Balance from Practical 2., Create Trial Balance and Profit & Loss Account from Practical 3., Create Trial Balance, Profit & Loss Account and Balance Sheet from Practical 4., Explain Balance Sheet Structure with an example. | 30 |
| Total Hours | | 60 |

Textbook :

- 1 Financial Accounting with ERP: Principles and Applications, S. N. Maheshwari and S. K. Maheshwari, Sultan Chand & Sons, 2021

References:

- 1 Financial Accounting, Financial Accounting, Walter T. Harrison Jr., Charles T. Horngren, and C. William Thomas, Pearson, 2019

References:

- 2 Financial Accounting: Tools for Business Decision Making, Financial Accounting: Tools for Business Decision Making, Paul D. Kimmel, Jerry J. Weygandt, and Donald E. Kieso, Wiley, 2018
- 3 Financial Accounting Fundamentals, Financial Accounting Fundamentals, John Wild, Ken Shaw, and Barbara Chiappetta, McGraw-Hill Education, 2019
- 4 Principles of Financial Accounting, Principles of Financial Accounting, Belverd E. Needles, Marian Powers, and Susan V. Crosson, Cengage Learning, 2020

Suggested Theory Distribution:

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

| Distribution of Theory for course delivery | | | | | |
|--|------------|-------|---------|----------|----------------------------------|
| Remember / Knowledge | Understand | Apply | Analyze | Evaluate | Higher order Thinking / Creative |
| 20.00 | 30.00 | 25.00 | 15.00 | 10.00 | 0.00 |

Instructional Method:

- 1 Board work
- 2 PPT
- 3 Demo

Supplementary Resources:

- 1 <https://www.investopedia.com/terms/f/financialaccounting.asp>
- 2 <https://www.accountingcoach.com/>