



HIMACHAL PRADESH NATIONAL LAW UNIVERSITY, SHIMLA

Semester: I

B.B.A. LL.B. (Hons.)

Paper Code: BBL-102

Financial Accounting

Credits - 04

Introduction:

Accounting, as a discipline, is accepted as the information system and the language of business with the objective of providing details and communicating useful information about an organisation. This course provides an overview of financial accounting and discusses its nature, scope, basic accounting concepts, conventions and accounting standards. This course also covers final accounts for Not-for-Profit Organisations and the latest provisions related to the Companies Act 2013.

Course Objectives:

1. To understand the theoretical framework of accounting, accounting process and fundamental principles of financial accounting.
2. To understand the process of recording accounting transactions of the business in several books of accounts like a cash book, journal book, ledger account, profit & loss account, etc.
3. To demonstrate an understanding of the preparation of financial statements.
4. To develop various skills necessary to evaluate an enterprise's financial position and its operating, investing and financing activities.

Learning Outcomes:

On the successful completion of the course, students will be able to:

1. Acquire conceptual knowledge of the basics of accounting and Identify events that need to be recorded in the accounting records.
2. Develop the skill of recording financial transactions and preparation of reports in accordance with GAAP.
3. Analyze and identify knowledge of accounting process and preparation of final accounts of non-trading organization.
4. Determine the provisions of the Companies Act, 2013.

Module - I

Financial Accounting: Introduction

- 1.1. Financial Accounting: Definition, Scope and Objectives;
- 1.2. Accounting v/s Book Keeping;
- 1.3. Terms used in accounting;
- 1.4. Users of Accounting Information and Limitations;
- 1.5. Accounting Concepts and Conventions.

Module - II

Accounting Standards and Depreciation

- 2.1. Accounting Standards: Introduction and Objectives;
- 2.2. Procedure for Issuing Accounting Standards, Advantages of Accounting Standards;
- 2.3. Accounting Standards in India;
- 2.4. Depreciation: Concept and its causes;
- 2.5. Depreciation accounting as per accounting standards.

Module - III

Recording of Transactions

- 3.1. Journalization;
- 3.2. Ledger Posting;
- 3.3. Trial Balance;
- 3.4. Cash Book;
- 3.5. Subsidiary Books.

Module - IV

Preparation of Final Accounts

- 4.1. Preparation of Trading & Profit and Loss Appropriation Account;
- 4.2. Preparation of Balance sheet and its interpretation;
- 4.3. Preparation of Final Accounts of Not-For-Profit Organizations;
- 4.4. Important Provisions of Companies Act, 2013;
- 4.5. Issues of Shares, Forfeiture, and Reissue of Shares.

Prescribed Books:

1. S. P. Jain, and K. L. Narang, FINANCIAL ACCOUNTING, (Kalyani Publishers, 2019).
2. T. Horngren Charles, INTRODUCTION TO FINANCIAL ACCOUNTING, (Pearson 2017).
3. V. K. Goyal, FINANCIAL ACCOUNTING, (Excel Books 2009).

Suggested Readings:

1. Jawahar Lal and Seema Srivastava, PRACTICAL PROBLEMS ON FINANCIAL ACCOUNTING, (Himalaya Publishing House, 2017).
2. Dr S. N. Maheshwari, CA Sharad K. Maheshwari & Dr Suneel K. Maheshwari, FINANCIAL ACCOUNTING, (2018).
3. P. C. Tulsian, FINANCIAL ACCOUNTING, (Tata McGraw Hill, 2023).
4. R. L. Gupta, M. Radhaswamy, ADVANCED ACCOUNTANCY, (Excel Books, 2022).

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Dean Academic Affairs
H.P. Narayan Law University, Shimla