

Accountancy

Financial Accounting

Part II

Textbook for Class XI



एन सी ई आर टी
NCERT

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FOREWORD

The National Curriculum Framework (NCF), 2005, recommends that children's life at school must be linked to their life outside the school. This principle marks a departure from the legacy of bookish learning which continues to shape our system and causes a gap between the school, home and community. The syllabi and textbooks developed on the basis of NCF signify an attempt to implement this basic idea. They also attempt to discourage rote learning and the maintenance of sharp boundaries between different subject areas. We hope these measures will take us significantly further in the direction of a child-centred system of education outlined in the National Policy on Education (1986).

The success of this effort depends on the steps that school principals and teachers will take to encourage children to reflect on their own learning and to pursue imaginative activities and questions. We must recognise that, given space, time and freedom, children generate new knowledge by engaging with the information passed on to them by adults. Treating the prescribed textbook as the sole basis of examination is one of the key reasons why other resources and sites of learning are ignored. Inculcating creativity and initiative is possible if we perceive and treat children as participants in learning, not as receivers of a fixed body of knowledge.

These aims imply considerable change in school routines and mode of functioning. Flexibility in the daily time-table is as necessary as rigour in implementing the annual calendar so that the required number of teaching days are actually devoted to teaching. The methods used for teaching and evaluation will also determine how effective this textbook proves for making children's life at school a happy experience, rather than a source of stress or boredom. Syllabus designers have tried to address the problem of curricular burden by restructuring and reorienting knowledge at different stages with greater consideration for child psychology and the time available for teaching. The textbook attempts to enhance this endeavour by giving higher priority and space to opportunities for contemplation and wondering, discussion in small groups, and activities requiring hands-on experience.

The National Council of Educational Research and Training (NCERT) appreciates the hard work done by the textbook development committee

responsible for this book. We wish to thank the Chairperson of the advisory group in Social Sciences Professor Hari Vasudevan and the Chief Advisor for this book, Professor R.K. Grover, (Retd.) Director, School of Management Studies (IGNOU), New Delhi for guiding the work of this committee. Several teachers contributed to the development of this textbook; we are grateful to their principals for making this possible. We are indebted to the institutions and organisations which have generously permitted us to draw upon their resources, material and personnel. We are especially grateful to the members of the National Monitoring Committee, appointed by the Department of Secondary and Higher Education, Ministry of Human Resource Development under the Chairpersonship of Professor Mrinal Miri and Professor G.P. Deshpande, for their valuable time and contribution. As an organisation committed to the systemic reform and continuous improvement in the quality of its products, NCERT welcomes comments and suggestions which will enable us to undertake further revision and refinement.

New Delhi
20 December 2005

Director
National Council of Educational
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**CONTENTS OF
ACCOUNTANCY – FINANCIAL ACCOUNTING
PART I**

CHAPTER 1	INTRODUCTION TO ACCOUNTING	1
CHAPTER 2	THEORY BASE OF ACCOUNTING	23
CHAPTER 3	RECORDING OF TRANSACTIONS - I	46
CHAPTER 4	RECORDING OF TRANSACTIONS - II	99
CHAPTER 5	BANK RECONCILIATION STATEMENT	160
CHAPTER 6	TRIAL BALANCE AND RECTIFICATION OF ERRORS	191
CHAPTER 7	DEPRECIATION, PROVISIONS AND RESERVES	237
CHAPTER 8	BILL OF EXCHANGE	289

CONTENTS

	FOREWORD	iii
Chapter 9	Financial Statements - I	343
9.1	Stakeholders and their Information Requirements	343
9.2	Distinction between Capital and Revenue	345
9.3	Financial Statements	347
9.4	Trading and Profit and Loss Account	349
9.5	Operating Profit (EBIT)	363
9.6	Balance Sheet	365
9.7	Opening Entry	374
Chapter 10	Financial Statements - II	384
10.1	Need for Adjustments	384
10.2	Closing Stock	386
10.3	Outstanding Expenses	388
10.4	Prepaid Expenses	389
10.5	Accrued Income	391
10.6	Income Received in Advance	393
10.7	Depreciation	394
10.8	Bad Debts	395
10.9	Provision for Bad and Doubtful Debts	396
10.10	Provision for Discount on Debtors	399
10.11	Manager's Commission	401
10.12	Interest on Capital	404
Chapter 11	Accounts from Incomplete Records	449
11.1	Meaning of Incomplete Records	449
11.2	Reasons of Incompleteness and Its Limitations	450
11.3	Ascertainment of Profit and Loss	451
11.4	Preparing Trading and Profit and Loss Account and the Balance Sheet	456

Chapter 12	Applications of Computers in Accounting	487
12.1	Meaning and Elements of Computer System	487
12.2	Capabilities of Computer System	489
12.3	Limitations of a Computer System	490
12.4	Components of Computer	491
12.5	Evolution of Computerised Accounting	492
12.6	Features of Computerised Accounting System	495
12.7	Management Information System and Accounting Information System	497
Chapter 13	Computerised Accounting System	504
13.1	Concept of Computerised Accounting System	504
13.2	Comparison between Manual and Computerised Accounting	506
13.3	Advantages of Computerised Accounting System	507
13.4	Limitations of Computerised Accounting System	509
13.5	Sourcing of Accounting Software	510
13.6	Generic Considerations before Sourcing an Accounting Software	512
Chapter 14	Structuring Database for Accounting	516
14.1	Data Processing Cycle	518
14.2	Designing Database for Accounting	519
14.3	Entity Relationship (ER) Model	520
14.4	Database Technology	530
14.5	An Illustration of Accounting Database	532
14.6	Relational Data Model	535
14.7	Relational Databases and Schemas	536
14.8	Constraints and Database Schemas	537
14.9	Operations and Constraint Violations	539
14.10	Designing Relational Database Schema	540
14.11	Illustrating the Database Structure for Example Realities	543
14.12	Interacting with Databases	551

Chapter 15	Accounting System Using Database Management System	566
15.1	MS Access and Its Components	566
15.2	Creating Tables and Relationships for Accounting Database	571
15.3	Vouchers Using Forms	577
15.4	Information Using Queries	599
15.5	Generating Accounting Reports	607
Appendix		631

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THE CONSTITUTION OF INDIA

PREAMBLE

WE, THE PEOPLE OF INDIA, having solemnly resolved to constitute India into a ¹**[SOVEREIGN SOCIALIST SECULAR DEMOCRATIC REPUBLIC]** and to secure to all its citizens :

JUSTICE, social, economic and political;

LIBERTY of thought, expression, belief, faith and worship;

EQUALITY of status and of opportunity; and to promote among them all

FRATERNITY assuring the dignity of the individual and the ²[unity and integrity of the Nation];

IN OUR CONSTITUENT ASSEMBLY this twenty-sixth day of November, 1949 do **HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.**

1. Subs. by the Constitution (Forty-second Amendment) Act, 1976, Sec.2, for "Sovereign Democratic Republic" (w.e.f. 3.1.1977)
2. Subs. by the Constitution (Forty-second Amendment) Act, 1976, Sec.2, for "Unity of the Nation" (w.e.f. 3.1.1977)