

# Accounts Syllabus

There is one paper of 3 hours duration of 80 marks divided into two parts.

Part I (20 marks) is compulsory and consists of short answer questions, testing knowledge, application and skills relating to elementary/ fundamental aspects of the entire syllabus.

In Part II (60 marks), you are required to answer five questions out of eight from this section. Each question carries 12 marks.

## 1. Basic Accounting Concepts

Background of accounting and accountancy: knowledge and understanding of IFRS (International Financial Reporting Standards); GAAP (Generally Accepted Accounting Principles), types of accounts; basic terms used in accounting, Accounting Standards and Accounting Equation.

## 2. Journal, Ledger and Trial Balance

(i) Journal: recording of entries in journal with narration.

(ii) Ledger: posting from journal to respective ledgers.

(iii) Sub-division of journal - cash book [including simple cash book and double column cash book (cash and bank). Petty cash book (including simple, analytical and imprest system), sales day book, purchases day book, sales return day book, purchases return day book, bills receivable book, bills payable book and Journal proper.

(iv) Trial balance

## 3. Bank Reconciliation Statement

Bank reconciliation statement.

(a) Meaning and need for bank reconciliation statement.

(b) Preparation of a bank reconciliation statement from the given cash book balance or pass book balance or both.

(c) Preparation of a bank reconciliation statement from the extract of the cash book as well as the pass book relating to the same month.

(d) Preparation of an amended cash book and a bank reconciliation statement from the given cash book balance.

(e) Preparation of an amended cash book and a bank reconciliation statement from the extract of the cash book as well as the pass book relating to the same month.

#### **4. Depreciation, Provisions and Reserves**

(i) Depreciation.

(ii) Methods of charging depreciation (Straight Line and Written Down Value method).

(iii) Problems relating to purchase and sale of assets incorporating the application of depreciation under the two stated methods.

#### **5. Bills of Exchange**

(i) Introduction to Negotiable Instruments: explanation of basic terms.

(ii) Practical problems on the above in the books of drawer, drawee, endorsee and bank.

#### **6. Final Accounts and Concept of Trading, Profit and Loss account and Balance Sheet (with and without adjustments), Marshalling of Balance Sheet**

(i) Capital and revenue expenditure/income.

(ii) Provisions and Reserves.

(iii) Trading, Profit and Loss Account and Balance Sheet of a sole trader, (Horizontal Format) without adjustments.

(iv) Preparation of Trading Account, Profit and Loss Account and Balance Sheet with necessary adjustments.

(v) Marshalling of a Balance Sheet: Order of permanence and order of liquidity.

#### **7. Accounts from incomplete records**

(i) Single entry and difference with double entry.

(ii) Ascertainment of profit/loss by statement of affairs method including application.

(iii) Conversion of Single entry into double entry.

#### **8. Non Trading Organisation**

(i) Non trading organization: meaning, objectives, necessity and treatment of specific items.

(ii) Different books maintained and differences between them.

(iii) Preparation of Income and Expenditure Account and Closing Balance Sheet.

## **9. Rectification of Errors**

Errors and types of errors: errors of omission; errors of commission; errors of principle; compensating errors.

## **10. Introduction to the use of Computers in Accounting**

Introduction to Computerised Accounting System: Components of CAS, Features, Grouping of Accounts. Advantages and Limitations of CAS, Accounting Information System.

Application of computers in Accounting (Only theory) - Automation of accounting process, designing accounting reports (MIS reports) - Chart of accounts - Assets/ liabilities/ income/ expenses/ capital, customer and supplier masters, type of transaction: cash, bank, sale, purchase, journal vouchers; general ledger/trial balance, balance sheet, profit and loss, data exchange with other information systems.

Comparison of accounting processes in manual and computerized accounting.