

A Systematic Approach to

ADVANCED FINANCIAL ACCOUNTING

As per the New Model Curriculum Designed under National Education Policy [NEP] applicable to
2nd Semester B.Com Course of Bengaluru North University

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SYLLABUS

MODULE 1 : CONSIGNMENT ACCOUNTS

14 Hrs

Consignment - Introduction & Meaning; Consignor & Consignee; Goods Invoiced at Cost Price; Goods Invoiced at Selling Price; Normal Loss & Abnormal Loss; Valuation of Stock; Stock Reserve; Journal Entries & Ledger Accounts in the books of Consignor and Consignee

MODULE 2 : ACCOUNTING FOR JOINT VENTURES

14 Hrs

Joint Venture – Introduction, Meaning & Objectives; Distinction between Joint Venture and Consignment; Distinction between Joint Venture and Partnership; Maintenance of Accounts in the books of co-ventures; Maintaining Separate Books for Joint Venture; Preparation of Memorandum Joint Venture – Problems

MODULE 3 : ROYALTY ACCOUNTS

14 Hrs.

Royalty - Meaning and definition; Technical Terms – Royalty, Royalty Agreement, Landlord, Minimum Rent, Short Workings, Recoupment of Short Working under restrictive (Fixed Period) and non-restrictive (Floating Period), Recoupment within the Life of the Lease; Accounting Treatment for Strike and Stoppage of work; Accounting Treatment in the books of Lessee and lessor – Journal entries and Ledger Accounts with minimum rent account

MODULE 4 : CONVERSION OF PARTNERSHIP FIRM INTO A LIMITED COMPANY

14 HRS

Meaning & Objectives of Conversion; Purchase Consideration - Methods of Calculation of Purchase Consideration - Lump Sum Method- Net Assets Method - Net Payment Method; Mode of Discharge of Purchase Consideration; Ledger Accounts in the Books of Vendor; Incorporation Entries in the Books of Purchasing Company; Preparation of Balance Sheet in Vertical form.

Skill Development Activities:

1. Preparation of Consignment account with imaginary figures.
2. List the types of business which comes under consignment.
3. Preparation of Joint Venture Agreement.
4. Collection & recording of Royalty agreement with regard to any suitable situation.
5. Preparation of list of items which comes under Royalty accounts.

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