COMGE02 – Basics of Accounting

Master of Commerce
Generic Elective Course: Basics of Accounting

Course Type/ Course Code	Course Title	Lectures	Tutorials	Practical	Credit	Pre-requisites
COMGE02	**Basics of Accounting**	3	0	1	4	NIL

Objective: This course is designed to provide students with a fundamental understanding of accounting principles, concepts, and procedures. It aims to develop the ability to systematically record, classify, and summarize financial transactions. The course also prepares students to interpret basic financial information for effective decision-making in business context.

Learning Outcomes: Upon successful completion of this course, students will be able to:

- Demonstrate a clear understanding of fundamental accounting concepts and principles.
- Accurately record and classify financial transactions using appropriate accounting methods.
- Prepare key financial statements including trading and profit and loss account and balance sheet using computerised accounting
- Analyse and interpret basic financial data to support informed business decisions.

Contents:

Unit I **(12 hours)**
Meaning and scope of Accounting; Accounting as an information system; An overview of Artificial Intelligence and Data Analytics in Accounting; Accounting Concepts, Principles and Conventions; Accounting Policies; Fundamental Accounting Assumptions as per AS 1; Accounting as a measurement discipline- valuation principles, accounting estimates; Accounting Standards; Ind AS and IFRS; Accounting Process; Bank Reconciliation Statement.

Unit II **(10 hours)**
Business Income: Revenue Recognition as per AS 9; Valuation of Inventory as per AS 2; Accounting for Property, Plant and Equipment with reference as per AS-10, Accounting for Intangible Assets as per AS 26.

Unit III **(10 hours)**
Financial Statement Analysis: objectives, importance and limitations; Tools for Financial Statement Analysis; Accounting Ratios; AS-3 Cash Flow Statement,

Accounting Ethics and Corporate Governance

Unit IV **(13 hours)**
Role of Accounting Software in Modern Business; Overview of digital accounting platforms and their business application, Bank reconciliation, GST and tax compliance, Inventory management and Payroll processing in accounting software.

Practical Exercise: Students shall be required to analyse the financial statements of selected listed companies to analyse their performance and conduct ratio analysis. The students may evaluate the applicability of accounting standards using real business case studies.

Suggested Readings:

- Wood, F., & Sangster, A. (2021). *Business accounting (Vol. 1)* (15th ed.). Pearson Education.
- Libby, R., Libby, P. A., & Hodge, F. D. (2022). *Financial accounting* (11th ed.). McGraw-Hill Education.
  Warren, C., Jones, J. P., & Tayler, W. B. (2020). *Survey of accounting* (9th ed.). Cengage Learning.
- Horngren, C. T., Harrison Jr., W. T., & Pearson, T. C. (2019). *Financial accounting* (12th ed.). Pearson Education.
- Weygandt, J. J., Kimmel, P. D., & Kieso, D. E. (2022). *Financial accounting: IFRS edition* (5th ed.). Wiley.
- Alexander, D., & Nobes, C. (2020). *Financial accounting: An international introduction* (7th ed.). Pearson Education.