**University of Sargodha**

**Department of CS & IT**

**COURSE OUTLINE**

Program: BSCS (Regular / Self) 4th semester

Course Title: Financial Accounting

Course Code: MNG-2210

Course Structure: Lecture: 3/ Labs: 0

Credit Hours: 3

Prerequisites: None

Instructor: Ch. Ghulam Rasul

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DESCRIPTION & OBJECTIVES

**Course Objectives:**

This course intends to introduce students with knowledge of Financial Accounting required to help them to understand the process of financial management and to develop modern accounting information systems. It will also help to enhance their ability to solve business and financial matters.

**Learn Outcomes:**

The learning outcomes will be to provide understanding of:

1. Basic accounting concept and techniques and their applications in various business and financial problems.
2. Equip them with accounting skills and knowledge that can be applied for financial decision making.
3. Financial analysis of various financial statements at work place.

**Text Books and Readings:**

* Financial and management accounting by Jan Williams, Sue Haka, Mark Bettner and Joseph Carcello, McGraw-Hill/Irwin; 16th Edition (2011).

**Reference Materials:**

* Fundamental Accounting Principles with Connect plus by John Wild, Ken Shaw, and Barbara Chiappetta, McGraw-Hill/Irwin; 20th Edition(December 27, 2010).
* Accounting Principles by jack L. Smith, Robert M. Keith and William L. Stephens, McGraw-Hill Companies, 3rd Edition(1993).
* Financial Accounting by M. Asghar Paracha Edition 18th (2018).
* Accounting by Sohail Afzal and M. Arif Ch.

**Course Contents:**

1. Introduction to Accounting: Nature, Purpose and Scope of Accounting, Objectives of Accounting, Users of Accounting Information and their Respective Needs, Qualities of Useful Accounting Information, Accounting Principles: Going Concern, Accruals, Consistency, Prudence, Business Entity, Duality, Money Measurements, Substance Over Form, Realization.
2. Book Keeping: The Accounting Cycle, Double Entity Book-keeping and Books of Original Entry, The Ledger, Cash Book and the Trial Balance.
3. Basic Financial Statements: Structures of Financial Statements for a sole Trader, Statement of Financial Position (The Balance Sheet) for a sole Trader.
4. Adjustments to Financial Statements: Carriage In and Carriage Out, Bad Debts, Bad and Doubtful Receivables, Bad Debts Recovered, Drawings, Discount Received and Allowed, Accrued and Prepaid Incomes and Expenses and Depreciation and Disposal of Property, Plant and Equipment.
5. The Cash Book: Two Column Cashbook, Analytical Cashbook and the Petty Cashbook.
6. Expected Learning Outcomes: Purpose of Bank Reconciliation, Causes of Difference Between Cash and Bank Balances, Bank Reconciliation Process, Bank Overdrafts, and Dishonoured Cheques.
7. Property, Plant and Equipment (PPE): Classification of Long-Term Assets, Accounting for PPE, Revenue and Capital Expenditure, Relevant Cost of PPE, Method, Relevant Cost of PPE, Methods of Estimating Depreciation, Revaluation Method, Revaluation of PPE, Exchange of Assets, Disposal of Assets, Schedules of PPE and Presentation and Disclosure of PPE in the Financial Statements.
8. Control Accounts: Uses of Control Accounts, Sales and Purchases Ledger Control Accounts.
9. Accounting Errors: Types of Accounting Errors, Errors Not Affecting the Trial Balance and Errors Affecting the Trial Balance. Adjusted Trial Balance, Closing entries and post-closing Trial Balance.
10. Accounting for Partnerships: Introduction of Partnership Agreements, Appropriation of Profit.

**Detailed Lesson Plan for Lectures:**

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| --- | --- | --- |
| **Week:** | **Topic to be Discussed** | **Date/Timing** |
| 1 | Introduction to Accounting, Accounting Principles/Concepts and Conventions, Branches of accounting. | As per given timetable. |
| 2 | Book-keeping, Double Entry Book-keeping, Monetary/Non-Monetary Events and Transactions, Cash & Credit Transactions, Accounting Equation, Effects of Business transaction on Accounting Equation. |  |
| 3 | Analysis/Classification of Business Transactions, Single Entry & Double Entry System, Accounts and types of Accounts, Debit & Credit rules for Assets, Liabilities, Expenses /Revenue etc. |  |
| 4 | Journal and rules for journalizing, Simple Entry & Compound Entry, Capital & Drawing Account. |  |
| 5 | Ledger, Balancing of Ledger Accounts, Trails Balance. Direct/Indirect Expenses and Revenue. |  |
| 6 | Methods of preparing Trail Balance, Advantages of Trail Balance, Accounting Cycle to Trail Balance, |  |
| 7 | The Cash Book, Single & Two Column Cash Books, And their preparation. |  |
| 8 | Three Column Cash Book, The Petty Cash Book. |  |
| 9 | Bank Reconciliation, Purpose and Causes of differences b/w Cash & Bank Balances, Preparation of Reconciliation Statements Accounts. |  |
| 10 | Classification of Short term and Long Term Assets and Liabilities, Revenue & Capital, Capital & Revenue Expenditures, Profit/Loss under Capital and Revenue. |  |
| 11 | Depreciation, Definition & Causes of Depreciation, Types of Depreciation |  |
| 12 | Basic Financial Statements (Final Accounts), Trading Account, Profit & Loss account. |  |
| 13 | Statements of Financial position (Balance Sheet), Structure of Balance Sheet for a Sole Trader. |  |
| 14 | Accounting Errors & Accounting Adjustments to Financial Statements, Accrued & Prepaid Income and Expenses, Bad Debts & Provision. |  |
| 15 | Accounting for Partnership, Introduction Partnerships, Agreements and Deed. Appropriation of Profit. |  |
| 16 | Revision/Presentation & Completion left over topics of course |  |

**Handouts/Notes/Pdf are Attached of all weeks.**

**Research Project.**

N/A

**Assessment/Evaluation Criteria:**

Sessional Marks: 20 (Attendance, Assignment, Class Participation/presentation and class discipline & behavior)

Mid Term Exam= 30

Final Term = 50

**Rules and Regulations**

1. Every student must have to maintain discipline class in true spirit
2. Every student is expected to respect teacher, class mates and all others persons in authority in the university.
3. Every student should be in room before start of class and roll call is to be taken before start of lecture and no one is allowed to leave during lecture without the permission.
4. Assignment should be submitted within the prescribed time.
5. Mobile phone is not allowed to be used in the class.
6. Every student is expected to be courteous and helpful to other.
7. No student is allowed to cause disturbance to other fellows students in class.
8. No student shell use abusive language against a fellow student in the class.
9. Student who is found habitual of missing lectures in this course shell not be allowed to sit in the class/term test without the permission of the Chairman of Dept.
10. Every student have to abide by all rules and regulations prescribed by university in true letter and spirit. Any student found guilty will be dealt with as per discipline rules.