



# Mahatma Gandhi University Kottayam

|                               |   |         |          |           |        |             |
|-------------------------------|---|---------|----------|-----------|--------|-------------|
| <b>Programme</b>              |   |         |          |           |        |             |
| <b>Course Name</b>            | <b>FUNDAMENTALS OF ACCOUNTING</b>   |         |          |           |        |             |
| <b>Type of Course</b>         | MDC   |         |          |           |        |             |
| <b>Course Code</b>            | MG2MDCCOM100  |         |          |           |        |             |
| <b>Course Level</b>           | 100   |         |          |           |        |             |
| <b>Course Summary</b>         | The course deals with the familiarization of basic accounting concepts, principles required in the field of accounting. It aims at how the accounting transactions are recorded in the books of accounts of a sole trader. It focuses on providing an insight on real life experience in daybook maintained by traders. It also emphasizes on how the profitability and financial positions are ascertained |         |          |           |        |             |
| <b>Semester</b>               | 2   | Credits |          |           | 3      | Total Hours |
| <b>Course Details</b>         | Learning Approach   | Lecture | Tutorial | Practical | Others | 60          |
|                               |   | 2       | 0        | 1         | 0      |             |
| <b>Pre-requisites, if any</b> | Basic interest in day – to – day accounting.  |         |          |           |        |             |

## MGU (MDC) COURSE OUTCOMES (CO)

| CO No. | Expected Course Outcome  | Learning Domains* | PO No  |
|--------|--|-------------------|--------|
| 1      | Explain theory – based accounting and rule for journal entry                                       | Understand(U)     | 1      |
| 2      | Experiment day to day accounting, prepare various accounts and show its arithmetical accuracy      | Apply (A)         | 1&2    |
| 3      | Assess the profitability and financial position of a sole trader by preparing financial statements | Evaluate(E)       | 1&2    |
| 4      | Experimenting accounting process and preparation of simple final accounts in practical situations  | Skill             | 1,2,10 |

**\*Remember(K), Understand(U),Apply(A),Analyse(An),Evaluate(E),Create(C),Skill (S), Interest (I) and Appreciation (Ap)**

**COURSE CONTENT**  
**Content for Classroom transaction (Units)**

| Module   | Units | Course description  | Hrs | CO No. |
|--|-------|---|-----|--------|
| 1. Introduction to Accounting and Accounting Cycle | 1.1   | Introduction, Meaning of accounting, Functions, objectives, Advantages, and disadvantages   | 1   | 1      |
|  | 1.2   | Basic Accounting Terminology  | 2   | 1      |
|  | 1.3   | Accounting Equation- Accounting Process: Journals, Ledger, Trial balance  | 3   | 1      |
|  | 1.4   | Journal and process of journalising, Rule of debit and credit   | 4   | 1      |
| 2. Special journals and Ledger                     | 2.1   | Sub division of journal-preparation of sales day book, purchases day book – Simple cash book, Cash book with Cash, Bank and Discount Columns (Simple situations only) | 5   | 1      |
|  | 2.2   | Ledger - meaning, definition, difference between journal and ledger, accounts   | 1   | 2      |
|  | 2.3   | Process of posting, balancing of accounts   | 2   | 2      |
|  | 2.4   | Preparation of trial balance  | 2   | 2      |
| 3. Preparation of final accounts of a sole trader  | 3.1   | Meaning and definition of financial statements, closing entries,  | 1   | 3      |
|  | 3.2   | Preparation of Trading account  | 2   | 3      |
|  | 3.3   | Calculate cost of goods sold  | 1   | 3      |
|  | 3.4   | Preparation of Profit and loss accounts   | 2   | 3      |
|  | 3.5   | Preparation of balance sheet  | 2   | 3      |
|  | 3.6   | Preparation of financial statements (Adjustments other than closing stock excluded)   | 2   | 3      |
|  | 3.7   | Day to day accounting - Practical application (Journalising to Day book preparation and Trial Balance) - Simple Problems only   | 15P | 4      |
|  | 3.8   | Preparation of financial statements of a sole trader and interpret the profitability and position   | 15P | 4      |
| 4  | 4     | Teacher Specific Module   |     |        |

| <b>Teaching and Learning Approach</b>           | <b>Classroom Procedure (Mode of transaction)</b><br>Lecture- Discussion Session:<br>Hands on activities: -<br>Peer teaching: -<br>Experiential learning  |                             |                       |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
|---|--|-----------------------------|-----------------------|---------------------|-------------------|---------------|---------------------------------|-------------------------|-------|------------------------------|--------------|-----------------------------|------------|---|------------|-------------------------|------------|--------------------------------|------------|----------------|-------------|--------------|--|--|-----------------|
| <b>Assessment Types</b>                         | <b>MODE OF ASSESSMENT</b><br><b>A. Continuous Comprehensive Assessment (CCA)- 25 marks</b><br>(a) MCQ based test and Viva Voce<br>(b) Descriptive tests<br>(c) Visit to trading concerns and submit daybook by considering one month's transactions OR Using a set of 20 to 30 transactions, complete the accounting cycle from journal entry to financial statement preparation (individual or group)-  |                             |                       |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
|   | <b>B. End Semester examination – 50 marks</b> <table border="1" data-bbox="632 965 1404 1055" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Mode</th> <th>Time in Hours Maximum</th> </tr> </thead> <tbody> <tr> <td>Written Examination</td> <td>1 hour 30 minutes</td> </tr> </tbody> </table><br><table border="1" data-bbox="555 1115 1481 1785" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Question Type</th> <th>Number of questions to answered</th> <th>Answer word/ page limit</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>Section A- Very short answer</td> <td>10 out of 12</td> <td>Word, Phrase, or a sentence</td> <td>10 x 1 =10</td> </tr> <tr> <td>Short Answer Questions- 2 theory and 4 problems</td> <td>4 out of 6</td> <td>Theory- Maximum- 1 page</td> <td>4 x 5 = 20</td> </tr> <tr> <td>Essay Questions- Problems only</td> <td>2 out of 3</td> <td>Question Based</td> <td>2 x 10 = 20</td> </tr> <tr> <td colspan="3" style="text-align: center;"><b>Total</b></td> <td><b>50 marks</b></td> </tr> </tbody> </table> | Mode                        | Time in Hours Maximum | Written Examination | 1 hour 30 minutes | Question Type | Number of questions to answered | Answer word/ page limit | Marks | Section A- Very short answer | 10 out of 12 | Word, Phrase, or a sentence | 10 x 1 =10 | Short Answer Questions- 2 theory and 4 problems | 4 out of 6 | Theory- Maximum- 1 page | 4 x 5 = 20 | Essay Questions- Problems only | 2 out of 3 | Question Based | 2 x 10 = 20 | <b>Total</b> |  |  | <b>50 marks</b> |
| Mode  | Time in Hours Maximum  |                             |                       |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
| Written Examination                             | 1 hour 30 minutes  |                             |                       |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
| Question Type                                   | Number of questions to answered  | Answer word/ page limit     | Marks                 |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
| Section A- Very short answer                    | 10 out of 12   | Word, Phrase, or a sentence | 10 x 1 =10            |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
| Short Answer Questions- 2 theory and 4 problems | 4 out of 6   | Theory- Maximum- 1 page     | 4 x 5 = 20            |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
| Essay Questions- Problems only                  | 2 out of 3   | Question Based              | 2 x 10 = 20           |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |
| <b>Total</b>                                    |  |                             | <b>50 marks</b>       |                     |                   |               |                                 |                         |       |                              |              |                             |            |   |            |                         |            |                                |            |                |             |              |  |  |                 |

### References

1. R L Gupta and M Radhaswamy – Advanced Accountancy-*Sultan Chand Publishers*
2. P C Tulsian. Advanced Accountancy - *S Chand Publications-*

3. S Kr.Paul – Fundamentals of Accounting – *New Central Agency*
4. M. C. Shukla and T.S. Grewal – Advanced Accounting, *S Chand Publication*
5. Jain and Narang – Fundamentals of Accounting, *Kalyani Publishers*
6. B S Raman – Financial Accounting - *United Publishers*

### **Suggested Readings**

1. <https://boslive.icai.org/index.php>
2. <https://icmai.in/studentswebsite/Syl-2022-Fdn-Stdy-Mtrls.php>



**MGU-UGP (HONOURS)**

# *Syllabus*