

SEMESTER III

Course Title	Advanced Accountancy I
Course Code	BC312
Semester	III
Credits	4

Course Objective

- To understand accounting as an information system and the role of accounting standards in providing reliable financial information.
- To learn the accounting treatment of royalty transactions, including minimum rent, short workings, and sub-leases.
- To understand the accounting procedures under hire purchase and instalment systems, including interest calculation and repossession.
- To develop skills in maintaining accounts for branches and departments, including allocation of expenses and inter-department transfers.
- To understand the accounting for insurance claims on stock and loss of profits and for investment transactions.

Unit – I

Accounting as an information system-Concept- users of accounting information – Accounting Standards-concept-types – benefits- difficulties in standard setting- standard setting in India (Theory only)

Unit – II

Royalty Accounts: Meaning – Minimum rent – Short workings – Recoupment of short workings – Accounting records in the books of the lessor and lessee – Sub lease.

Unit – III

Hire Purchase and Instalment Systems: Hire purchase system – Features – Calculation of interest – Accounting treatment in the books of buyer and seller (excluding hire purchase trading accounts)

and stock and debtors' system) – Default and repossession – Complete repossession - Partial repossession– Instalment system – Difference between hire purchase system and instalment system

Unit – IV

Branch Accounts: Branch accounting – types of branches – independent branch – debtors' system (excluding stock and debtors' system, foreign branches) Departmental Accounts– allocation of expenses – inter-department transfers (Excluding unrealized profit on closing stock)

Unit – V

Insurance Claims: Claims for loss of stock – Calculation of normal and abnormal items – Application of average clause – Loss of profits – Steps in the preparation of claim under loss of profits policy. Investment Accounts– Meaning – Cum-dividend/Cum- interest – Ex-dividend/Ex-interest - Investment accounts in columnar form.

Course Outcomes:

- Students will be able to explain the concept of accounting, identify its users, and describe the types and benefits of accounting standards, including their formulation in India.
- Students will be able to record royalty transactions in the books of lessor and lessee and calculate recoupment of short workings.
- Students will be able to prepare accounts for buyers and sellers under hire purchase and instalment systems and handle default and repossession scenarios.
- Students will be able to prepare branch and departmental accounts and record inter-department transactions accurately.
- Students will be able to compute insurance claims, apply average clause, and record investment transactions in columnar form.

Text Book

1. Advanced Accounting – R.L. Gupta & M. Radhaswamy
2. Advanced Accountancy – S.N. Maheshwari & S.K. Maheshwari
3. Advanced Accountancy – M.C. Shukla & T.S. Grewal
4. Modern Accountancy – Mukherjee & Hanif

5. Advanced Accounting – Ashok Sehgal & Deepak Sehgal

Reference Books

1. Advanced Accountancy - Vol-I - R. L. Gupta & M. Radaswamy, Revised edition – 2016 S. Chand & Company Ltd, Ram Nagar, New Delhi-110 055
2. Financial Accounting - S. P. Jain & J.L. Narang, Revised Edition 2007, Kalyani Publishers, B-I/1292, Rajinder Nagar, Ludhiana
3. Shukla Grewal and Gupta, “Advanced Accounts”, volume 1, S.Chand and Sons, New Delhi.
4. Advanced Accounting – J.R. Batliboi
5. Advanced Accountancy – R.L. Gupta

Web Resources

1. [ICAI – Accounting Standards and Guidance Notes](#)
2. [AccountingTools.com – Advanced Accounting Topics](#)
3. Investopedia – Accounting Principles
4. [Corporate Finance Institute – Accounting Resources](#)
5. [Swayam – Online Accounting Courses](#)