

Chanakya National Law University, Patna
B.B.A., LL.B. (H) 2022-23; SEMESTER - I

Course Title: Principles of Accounting and Audit

Course Overview

Learning Outcomes

The course aims to *familiarize and develop an understanding of the basic aspects of accounting, auditing concepts and their principles applicable of Law.*

On completion of the course, students will be able to:

1. Understanding of the Subject.
2. Analyze of the Subject.
3. Critical analyze of the Accounting Process.
4. Suitable Examples for better understanding and analyzing.

List of Topics/ Modules

Topic/ Module	Contents/ Concepts	Sessions / Lectures
Module I: Theoretical Framework	<ul style="list-style-type: none">• Meaning and Scope of Accounting; Important Terminology,• GAAP, Accounting Principles- Concepts and Conventions.• Accounting Standards – Concepts, Objectives, Benefits.• Accounting Policies; Accounting as a Measurement.• Accounting Discipline – Valuation Principles, Accounting Estimates.	1-10

Module II: Accounting Process	<ul style="list-style-type: none"> • Documents & Books of Accounts: Invoice, Vouchers, Debit & Credit Notes, • Day books, Journals, • Ledgers and Trial Balance • Capital and Revenue: Expenditures and Receipts. • Contingent Assets and Contingent Liabilities • Rectification of Errors. 	11-18
Module III: Bank Reconciliation Statement	<ul style="list-style-type: none"> • Meaning; Causes of difference between Bank Book Balance and Balance as per Bank Passbook /Bank Statement; • Need of Bank Reconciliation Statement, • Procedure for Preparation of Bank Reconciliation Statement 	19-23
Module IV: Accounting for Non-Trading Organisations.	<ul style="list-style-type: none"> • Meaning, types, • Process of Accounting and Preparation 	24-28
Module V: Preparation of Financial Statement	<ul style="list-style-type: none"> • Concept of Financial Statement. • Preparation and understanding of Profit & Loss Account, Balance Sheet • Cash Flow Statement • Application of Financial Statement 	28-35
Module VI: Financial Statement Analysis:	<ul style="list-style-type: none"> • Meaning, Usage, and Limitations, • Methods/Techniques • Ratio Analysis • Fund Flow Analysis 	36-43

Module VII: Auditing:	<ul style="list-style-type: none"> • Concepts and Objectives • Principles of Auditing • Types of Audits • Evidence in Auditing i.e. Vouching. • Audit Programs 	44-51
Module VIII: Audits and Auditor's Reports:	<ul style="list-style-type: none"> • Internal Audit and Internal Control • Statutory Auditor: Appointment, Qualification, Rights and Duties • Auditor's Report: Meanings, Contents, Types, • Qualifications of an Auditor • Introduction and Forensic of Forensic Accounting. 	52-60

Recommended/Reference Text Books and Resources:

Text Books

1. R. L. Gupta & V. K. Gupta Financial Accounting, Sultan Chand & Sons, New Delhi - 2.
2. S. N. Maheshwari & S. K. Maheshwari Advanced Accounting, Volume I; Vikas Publishing House (Pvt.) Ltd., Jangpura, New Delhi-14.
3. Aruna Jha Student's Guide to Auditing & Assurance, Taxmann Publications Pvt. Ltd., New Rohtak Road, New Delhi.
4. S. D. Sharma Auditing Principles & Practice, Taxmann Publications Pvt. Ltd., New Rohtak Road, New Delhi.
5. Accountancy I & II, NCERT Publication.

References

- P. C. Tulsian Financial Accounting, Sultan Chand & Company, New Delhi.
- R. Narayanaswamy Financial Accounting – A Managerial Prospective; PHI Learning Pvt. Ltd.
- Ashish K. Bhattacharyya Essentials of Financial Accounting; PHI Learning Pvt. Ltd..
- Anand G. Srinivasan Auditing, Taxmann Publications Pvt. Ltd., New Rohtak Road, New Delhi.

Instructor Details

Name of the Instructor:	ASHOK KUMAR SHARMA
Email:	aks9234813647@gmail.com