

Syllabus for TUTORIAL EXAMINATION of Financial Accounting I

<p>UNIT 1: BASICS OF ACCOUNTING & ACCOUNTING CONCEPTS Students must prepare:</p> <p>1. Bases of Accounting</p> <ul style="list-style-type: none"> • Cash Basis of Accounting • Accrual Basis of Accounting • Conversion of profit from cash basis to accrual basis • Treatment of: <ul style="list-style-type: none"> ○ Outstanding expenses ○ Prepaid expenses ○ Income accrued but not received ○ Credit sales and credit purchases <p>2. Accounting Concepts & Conventions</p> <ul style="list-style-type: none"> • Business Entity Concept • Going Concern Concept • Periodicity Concept • Accrual Concept • Matching Concept • Prudence / Conservatism • Valuation of inventory at Lower of Cost or Net Realisable Value <p>3. Classification & Conceptual Understanding</p> <ul style="list-style-type: none"> • Assets, Liabilities, Income and Expenses • Effect of expenses on owner's equity • Nature of depreciation <p>UNIT 2: LEDGERS, DEBTORS & CREDITORS Students must prepare:</p> <p>1. Ledger Accounts</p> <ul style="list-style-type: none"> • Sundry Debtors Account • Sundry Creditors Account • Bills Receivable Account • Bills Payable Account <p>2. Ascertainment of Missing Information</p> <ul style="list-style-type: none"> • Calculation of Credit Sales • Calculation of Credit Purchases • Treatment of: <ul style="list-style-type: none"> ○ Discounts allowed and received ○ Bills honoured and dishonoured 	<p>UNIT 3: SECTIONAL BALANCING & CONTROL ACCOUNTS Students must prepare:</p> <ul style="list-style-type: none"> • Sectional Balancing System • Sales Ledger Adjustment Account (Control Account) • Treatment of: <ul style="list-style-type: none"> ○ Cash received from debtors ○ Bills receivable (drawn, endorsed, discounted, dishonoured) ○ Bad debts and recoveries ○ Returns ○ Transfers from creditors ledger <p>UNIT 4: DEPRECIATION & ASSET ACCOUNTING Students must prepare:</p> <ul style="list-style-type: none"> • Meaning and nature of depreciation • Factors affecting depreciation • Straight Line Method (SLM) • Disposal of fixed assets • Replacement of machinery • Preparation of Machinery Account for multiple years <p>UNIT 5: RECTIFICATION OF ERRORS Students must prepare:</p> <ul style="list-style-type: none"> • Rectification of errors after Trial Balance but before Final Accounts • Errors relating to: <ul style="list-style-type: none"> ○ Undercasting / overcasting ○ Wrong posting ○ Errors of principle ○ Personal vs business transactions • Journal entries for rectification <p>UNIT 6: INVENTORY VALUATION & FINAL ADJUSTMENTS Students must prepare:</p> <ul style="list-style-type: none"> • Meaning of inventory • Valuation of closing stock • Stock valuation when: <ul style="list-style-type: none"> ○ Stock-taking date differs from accounting year-end • Adjustment of: <ul style="list-style-type: none"> ○ Sales after year-end ○ Purchases after year-end ○ Sales return and purchase return ○ Gross Profit calculation (profit on cost basis)
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