

## **IMBA104 – BASIC ACCOUNTING**

Maximum Marks: 100  
Semester Examination: 70  
Internal Assessment: 30

### **UNIT – I: INTRODUCTION**

Nature and Scope of Accounting: Need, development and definition of accounting,  
Accounting Principles: GAAP; Accounting as MIS

### **UNIT–II: ACCOUNTING PROCESS**

Accounting Transactions: Accounting Cycle; Journal; Rules of debit and credit; Compound journal entry; Opening entry; Relationship between journal and ledger; Rules regarding posting; Trial Balance; Sub division of journal

### **UNIT–III: INCOME MEASUREMENT**

Capital and Revenue : Classification of Income; Classification of expenditure; Classification of receipts, Accounting concept of income; Accounting concepts and income measurement; Expired cost and income measurement.

### **UNIT–IV: NATURE AND STRUCTURE OF FINANCIAL STATEMENTS**

Final accounts; Manufacturing account; Trading account; Profit and Loss Account; Balance Sheet; Adjustment entries.

Rectification of errors: Classification, Location and Rectification Suspense Account; Effect on Profit.

### **UNIT–V: DEPRECIATION PROVISION AND RESERVES**

Depreciation Provisions and Reserves : Concept of depreciation; Causes of depreciation; depletion, amortization and dilapidation; Depreciation accounting; Methods of recording depreciation; Methods for providing depreciation; Depreciation of different assets; Depreciation of replacement cost; Depreciation policy as per Accounting Standard, Provisions and reserves.

### **REFERENCES:**

1. Gupta, RL and Radhaswamy, M : Financial Accounting ; Sultan Chand and Sons
2. Maheshwari, Introduction to Accounting, Vikas Publishing
3. Anthony, RN and Reece, JS : Accounting Principles; Richard Inwin Inc
4. Ramchandran & Kakani : Financial Accounting for Managers; Tata McGraw-Hill