



<p>Accounting Period, Cost Concept, Dual Aspect, Revenue Recognition, Matching, Full Disclosure, Consistency, Conservatism,</p> <ul style="list-style-type: none"> <li>• Materiality and Objectivity</li> <li>• System of Accounting. Basis of Accounting: cash basis and accrual basis</li> <li>• Accounting Standards: Applicability of Accounting Standards (AS) and Indian Accounting Standards (Ind AS)</li> <li>• Goods and Services Tax (GST): Characteristics and Advantages.</li> </ul>		<ul style="list-style-type: none"> <li>• state the meaning of fundamental accounting assumptions and their relevance in accounting.</li> <li>• describe the meaning of accounting assumptions and the situation in which an assumption is applied during the accounting process.</li> <li>• explain the meaning, applicability, objectives, advantages and limitations of accounting standards.</li> <li>• appreciate that various accounting standards developed nationally and globally are in practice for bringing parity in the accounting treatment of different items.</li> <li>• acknowledge the fact that recording of accounting transactions follows double entry system.</li> <li>• explain the bases of recording accounting transaction and to appreciate that accrual basis is a better basis for depicting the correct financial position of an enterprise.</li> <li>• Explain the meaning, advantages and characteristic of GST.</li> </ul>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## Unit-2: Accounting Process

Units/Topics		Learning Outcomes
<p><b>CH-3 Recording of Business Transactions - I</b></p> <ul style="list-style-type: none"> <li>• Voucher and Transactions: Source documents and Vouchers, Preparation of Vouchers, Accounting Equation Approach: Meaning and Analysis, Rules of Debit and Credit.</li> <li>• Recording of Transactions: Books of Original Entry- Journal</li> </ul>	<b>18</b>	<p><b>After going through this Unit, the students will be able to:</b></p> <ul style="list-style-type: none"> <li>• explain the concept of accounting equation and appreciate that every transaction affects either both the sides of the equation or a positive effect on one item and a negative effect on another item on the same side of accounting equation.</li> <li>• explain the effect of a transaction (increase or decrease) on the assets, liabilities, capital, revenue and expenses.</li> <li>• appreciate that on the basis of source</li> </ul>
<p><b>JULY -2026</b></p> <p><b>CH-4 Recording of Business Transactions - II</b></p> <ul style="list-style-type: none"> <li>• Cash Book: Simple, cash book with bank column and petty cashbook</li> <li>• Purchases book</li> </ul>	<b>29</b>	

<ul style="list-style-type: none"> <li>• Sales book</li> <li>• Purchases return book</li> <li>• Sales return book</li> <li>• Journal proper</li> </ul> <p><i>Note: Including trade discount, freight and cartage expenses for simple GST calculation.</i></p> <ul style="list-style-type: none"> <li>• Ledger: Format, posting from journal and subsidiary books, Balancing of accounts</li> </ul> <p><b>AUG- 2026</b></p> <p><b>CH- 5 Bank Reconciliation Statement:</b></p> <ul style="list-style-type: none"> <li>• Need and preparation, Bank Reconciliation Statement</li> </ul> <p><b>CH -6 Depreciation, Provisions and Reserves</b></p> <ul style="list-style-type: none"> <li>• Depreciation: Meaning, Features, Need, Causes, factors</li> <li>• Other similar terms: Depletion and Amortisation</li> <li>• Methods of Depreciation: <ul style="list-style-type: none"> <li>i. Straight Line Method (SLM)</li> <li>ii. Written Down Value Method (WDV)</li> </ul> </li> </ul> <p><i>Note: Excluding change of method</i></p> <ul style="list-style-type: none"> <li>• Difference between SLM and WDV; Advantages of SLM and WDV</li> <li>• Method of recoding depreciation <ul style="list-style-type: none"> <li>i. Charging to asset account</li> <li>ii. Creating provision for depreciation/accumulated depreciation account</li> </ul> </li> <li>• Treatment of disposal of asset</li> <li>• <b>Provisions, Reserves, Difference Between Provisions and Reserves.</b></li> <li>• Types of Reserves: <ul style="list-style-type: none"> <li>i. Revenue reserve</li> <li>ii. Capital reserve</li> <li>iii. General reserve</li> <li>iv. Specific reserve</li> <li>v. Secret Reserve</li> </ul> </li> <li>• Difference between capital and revenue reserve</li> </ul>	<p><b>10</b></p> <p><b>12</b></p> <p><b>3</b></p>	<p>documents, accounting vouchers are prepared for recording transaction in the books of accounts.</p> <ul style="list-style-type: none"> <li>• develop the understanding of recording of transactions in journal and the skill of calculating GST.</li> <li>• describe the method of recording transactions other than cash transactions as per their nature in different subsidiary books.</li> <li>• appreciate that at times bank balance as indicated by cash book is different from the bank balance as shown by the pass book / bank statement and to reconcile both the balances, bank reconciliation statement is prepared.</li> <li>• develop understanding of preparing bank reconciliation statement.</li> <li>• appreciate that for ascertaining the position of individual accounts, transactions are posted from subsidiary books and journal proper into the concerned accounts in the ledger and develop the skill of ledger posting.</li> <li>• explain the necessity of providing depreciation and develop the skill of using different methods for computing depreciation.</li> <li>• understand the accounting treatment of providing depreciation directly to the concerned asset account or by creating provision for depreciation account.</li> <li>• appreciate the method of asset disposal through the concerned asset account or by preparing asset disposal account.</li> <li>• appreciate the need for creating reserves and also making provisions for events which may</li> </ul>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



<p><b>DECEMBER 2026 &amp; JANUARY 2027</b></p> <p><b>CH- 10 Incomplete Records</b> Features, reasons and limitations.</p> <p>Ascertainment of Profit/Loss by Statement of Affairs method. (excluding conversion method)</p>	<p><b>13</b></p>	
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------	--

**Part C: Project Work (Any One) (10 PERIODS)**

1. Collection of source documents, preparation of vouchers, recording of transactions with the help of vouchers.
2. Preparation of Bank Reconciliation Statement with the given cash book and the pass book with twenty to twenty-five transactions.
3. Comprehensive project of any sole proprietorship business. This may state with journal entries and their ledgering, preparation of Trial balance. Trading and Profit and Loss Account and Balance Sheet. Expenses, incomes and profit (loss), assets and liabilities are to be depicted using pie chart / bar diagram. This may include simple GST related transactions.

