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FINANCIAL ACCOUNTING KISHNADWALA - WANDREKAR - TARDALKAR



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BMS Series

FINANCIAL ACCOUNTING

**H. V. KISHNADWALA
H. A. WANDREKAR
J. V. TARDALKAR**



J. Lawa



As Per Revised Syllabus under CBCGS System of BMS
Course under Mumbai University w.e.f. June, 2018

Vipul's™
FINANCIAL
ACCOUNTING
(BMS Third Year : Fifth Semester)
(Finance Group – Elective)

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FIRST EDITION

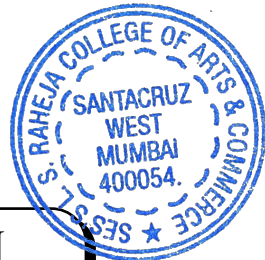


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Published by:

N. V. Maroo

For Vipul Prakashan

161, J. S. Seth Road

Mumbai - 400 004.

Financial Accounting (BMS)

©

Smt. Jekorben and Harkisandas Kishnadwala Charity Trust.

H. A. Wandrekar.

Lokesh V. Tardalkar

ISBN: 978-93-89132-00-7

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Price: ₹ 160.00

Printed by:

Jolly Offset

14, Wadala Udyog Bhavan,

Wadala, Mumbai - 400 031.

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Preface

It gives us great pleasure in bringing you this book “Financial Accounting” as per the syllabus of Third Year: Fifth Semester, Bachelor of Management Studies (BMS) of Mumbai University.

A number of illustrations are given for better and easier understanding of all the topics. Additional exercises have also been given for practice of the students.

We thank the publishers for their untiring efforts to bring out this book.

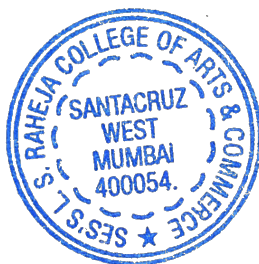
We are sure that like our other books, this book will also be well received by the teaching fraternity and the students. Suggestions for further improvements are welcome preferably by e-mail at:

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Authors

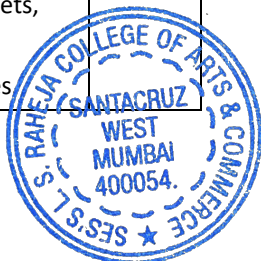


Syllabus

Objectives:

- (1) To acquaint the learners in preparation of final accounts of companies.
- (2) To study provisions relating to underwriting of shares and debentures.
- (3) To study accounting of foreign currency and investment.
- (4) To understand the need of ethical behaviour in accountancy.

No.	Modules / Units	No. of Lectures
1	Preparation of Final Accounts of Companies:	15
	<p>Relevant provisions of Companies Act related to preparation of Final Accounts (excluding cash flow statement).</p> <p>Preparation of financial statements as per Companies Act (excluding cash flow statement).</p> <p>AS 1 in relation to final accounts of companies (disclosure of accounting policies).</p>	
2	Underwriting of Shares and Debentures:	12
	<p>Introduction, Underwriting, Underwriting Commission.</p> <p>Provision of Companies Act with respect to Payment of underwriting commission.</p> <p>Underwriters, Sub-Underwriters, Brokers and Manager to Issues.</p> <p>Types of underwriting, Abatement Clause.</p> <p>Marked, Unmarked and Firm-underwriting applications, Liability of the underwriters in respect of underwriting contract- Practical problems.</p>	
3	Accounting of Transactions of Foreign Currency:	15
	<p>In relation to purchase and sale of goods, services, assets, loan and credit transactions.</p> <p>Computation and treatment of exchange rate differences</p>	



4	Investment Accounting (w.r.t. Accounting Standard - 13):	10
	<p>For shares (variable income bearing securities).</p> <p>For Debentures/Preference shares (fixed income bearing securities).</p> <p>Accounting for transactions of purchase and sale of investments with ex and cum interest prices and finding cost of investment sold and carrying cost as per weighted average method (Excl. brokerage).</p> <p>Columnar format for investment account.</p>	
5	Ethical Behaviour and Implications for Accountants:	8
	<p>Introduction, Meaning of ethical behavior.</p> <p>Financial Reports – link between law, corporate governance, corporate social responsibility and ethics.</p> <p>Need of ethical behavior in accounting profession.</p> <p>Implications of ethical values for the principles versus rule based approaches to accounting standards.</p> <p>The principal based approach and ethics.</p> <p>The accounting standard setting process and ethics.</p> <p>The IFAC Code of Ethics for Professional Accountants.</p> <p>Contents of Research Report in Ethical Practices.</p> <p>Implications of unethical behavior for financial reports.</p> <p>Company Codes of Ethics.</p> <p>The increasing role of Whistle – Blowing.</p>	
	Total	60



Question Paper Pattern

Maximum Marks: 75

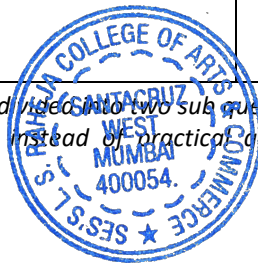
Duration: 2½ Hrs.

Questions to be set: 05

All Questions are Compulsory Carrying 15 Marks each.

No.	Particular	Marks
Q. 1	Objective Questions (A) Sub Questions to be asked 10 and to be answered any 08 (B) Sub Questions to be asked 10 and to be answered any 07 (*Multiple choice / True or False / Match the columns/Fill in the blanks)	15 Marks
Q. 2	Full Length Practical Question OR	15 Marks
Q. 2	Full Length Practical Question	15 Marks
Q. 3	Full Length Practical Question OR	15 Marks
Q. 3	Full Length Practical Question	15 Marks
Q. 4	Full Length Practical Question OR	15 Marks
Q. 4	Full Length Practical Question	15 Marks
Q. 5	(A) Theory questions	08 Marks
	(B) Theory questions	07 Marks
	OR	
Q. 5	Short Notes To be asked 05 To be answered 03	15 Marks

Note: Full length question of 15 marks may be divided into two sub questions of 7/8 and 10/5 Marks. If the topic demands, instead of practical questions, appropriate theory question may be asked.



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No.	Chapter	Pages
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2.	Underwriting of Shares and Debentures	139-153
3.	Accounting for Translation of Foreign Currency	154-213
4.	Investment Accounting	214-244
5.	Ethical Behaviour and Implications for Accountants	245-274
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S. Lawa

