



(Shri Ramkrishna Seva Mandal's)
ANAND COMMERCE COLLEGE

An Autonomous College (2025-26 to 2034-35)

(Affiliated to Sardar Patel University)

NAAC ACCREDITED 'A' GRADE (3.04 CGPA)

ISO 9001:2015



Syllabus as per NEP 2020 with effect from the Academic Year 2025-26

Bachelor of Commerce
B COM Semester – II

Course Code	UC02MACOM01	Title of the Course	Financial Accounting-II
Total Credits of the Course	4	Hours per Week	4

Course Objectives:	<ol style="list-style-type: none">1. To equip students with the knowledge and analytical skills necessary to interpret and evaluate financial statements using various methods such as comparative, common size, and trend analysis.2. To familiarize students with the preparation of company final accounts using vertical format as per Revised Schedule III and amendments under the Companies Act, 2013.3. To introduce students to the concepts and terminology of investment accounting and develop their ability to record investment transactions and prepare investment accounts.4. To provide students with comprehensive knowledge of various types of share issues and related accounting treatments as per company law provisions.5. To introduce students to the concept, objectives, and accounting system of trusts, including the preparation of financial statements in accordance with legal and regulatory requirements.
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Course Content		
Unit	Description	Weightage* (%)
1.	Financial Statement: An Analysis and interpretation: <ul style="list-style-type: none">• Meaning of Financial Statement• Characteristic of Financial Statement• Purposes and Limitations of Financial statement• Methods of analysis of financial statement. Comparative statements, Trend Analysis and Common size statements	20%
2.	Company Final Accounts: <ul style="list-style-type: none">• Vertical presentation of accounting with notes as per revised schedule III, as per amendments of Companies Act-2013.	20%

3.	Investment Account: <ul style="list-style-type: none"> Introduction and meaning of investments, various terms used in investments transactions (face value or normal value, capital value or cost value, market value, brokerage, Interest accrued, cum-interest purchase and sale, ex-interest purchase and sale (theory)) Examples to write necessary journal entries and prepare investment account in the books of investor. 	20%
4.	Issue of Shares: (Theory & Example):- <ul style="list-style-type: none"> Types of Shares and Share Capital, Shares issued at Par, Premium and at discount. Over subscription of shares, calls in arrears, calls in advance, Right shares & Provision regarding issue of right shares Examples on issue & allotment of shares including pro-rata allotment, forfeiture of shares (only journal entries). 	20%
5.	Financial Accounting of Trust: <ul style="list-style-type: none"> Meaning and Definition of a Trust Objectives and Functions of a Trust Books of Accounts Maintained by Trusts (Important Books and Registers: 1. Cash Book, 2. Ledger, 3. Donation Register, 4. Asset Register, 5. Grant Register) Balance sheet of trust 	20%

Teaching-Learning Methodology	<ul style="list-style-type: none"> Lecture Method Problem Solving Sessions Group Discussions Assignment and Home Exercises Classroom Presentations by Students Use of Audio-Visual Aids (PPTs, Videos)
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**Internal and / or External Examination
Evaluation**

Sr. No.	Details of the Evaluation / Exam Pattern	50 Marks (%)	25 Marks (%)
1	Class Test (at least one)	15 (30%)	10 (40%)
2	Quiz (at least one)	15 (30%)	05 (20%)
3	Active Learning	05 (10%)	----
4	Home Assignment	05 (10%)	05 (20%)
5	Class Assignment	05 (10%)	----
6	Attendance	05 (10%)	05 (20%)
Total Internal (%)		50 (100%)	25 (100%)
College External Examination (%)		50 (100%)	25 (100%)

Course Outcomes: Having completed this course, the learners will be able to	
1.	Understand the structure and purpose of financial statements and effectively analyze financial data to support decision-making in a business environment.
2.	Prepare and present company financial statements in compliance with legal requirements and interpret accompanying notes to accounts effectively.

3.	Understand key investment terms and accurately journalize transactions and prepare investment accounts in the books of investors.
4.	Understand the procedures and legal aspects of share issuance and accurately pass journal entries for allotment, pro-rata distribution, calls, and forfeiture of shares.
5.	Gain the ability to maintain essential books of accounts for trusts and prepare a trust's balance sheet reflecting accurate financial information.

Suggested References:

Sr.No.	References
1.	Financial Accounting by S.N. Maheshwari & S.K. Maheshwari (Meaning of Financial Statement, Characteristics of Financial Statement, Purposes and Limitations of Financial Statement, Methods of Analysis: Comparative Statements, Trend Analysis, Common Size Statements)
2.	Corporate Accounting by M.C. Shukla, T.S. Grewal & S.C. Gupta (Vertical Presentation of Final Accounts, Notes to Accounts, Revised Schedule III – as per Companies Act 2013, Amendments and Disclosure Requirements)
3..	Advanced Accountancy – Volume I by R.L. Gupta & M. Radhaswamy (Introduction and Meaning of Investments, Terms like Face Value, Market Value, Brokerage, Cum-interest and Ex-interest Transactions, Journal Entries and Preparation of Investment Account in Investor's Books)
4.	Corporate Accounting by Jain & Narang (Types of Shares and Share Capital, Issue at Par, Premium and Discount, Oversubscription, Calls in Arrears and Advance, Right Shares & Related Provisions, Journal Entries for Allotment, Pro-rata, and Forfeiture of Shares)
5.	Accountancy for Non-Trading Institutions by T.S. Grewal (Meaning and Definition of a Trust, Objectives and Functions, Important Books and Registers: Cash Book, Ledger, Donation Register, Asset Register, Grant Register, and Preparation of Trust Balance Sheet)

Digital resources to be used if available as reference material

Digital Resources

<https://www.toppr.com/guides/accountancy/analysis-of-financial-statements/introduction-to-financial-statements/>

<https://www.learnbse.in/analysis-of-financial-statements-cbse-notes-class-12-accountancy/>

<https://www.accountingnotes.net/final-accounts/final-accounts-of-companies/>

<https://commerceiets.com/accounting-of-not-for-profit-organisation/>

<https://www.geeksforgeeks.org/issue-of-shares-journal-entries/>

<https://www.commercepk.com/investment-accounting/>



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