

S. Y. B. Com. Accounting and Finance

Semester - III

**FINANCIAL
ACCOUNTING III**

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Semester - III

**Special Accounting
Areas**

Syllabus Objectives

- To learn structure of Final Accounts of Partnership Firms with Admission, Retirement, Death of partner.
- **To learn actual implementation of dissolution of partnership firm with the technique of Piecemeal Distribution of Cash.**
- To learn procedure of Amalgamation of partnership firm and conversion of partnership firm into joint stock company.
- **To understand transactions with foreign currencies and its translation into Indian Currency.**

Syllabus

**Program at Semester III with
Effect from the
Academic Year 2017-2018**

Module I

Partnership Final Accounts

Simple final accounts questions to demonstrate the effect on final Accounts when a partner is admitted during the year or when partner Retires / dies during the year

Module I

Partnership Final Accounts

Allocation of gross profit prior to and after admission / retirement / death when stock on the date of admission / retirement is not given and apportionment of other expenses based on time / Sales/other given basis

Module I

Partnership Final Accounts

**Ascertainment of gross profit prior to and after admission/retirement / death when stock on the date of admission / retirement is given and apportionment of other expenses based on time / Sales / other given basis
Excluding Questions where admission / retirement / death takes place in the same year**

Module II

Piecemeal Distribution of Cash

Excess Capital Method only Asset taken over by a partner Treatment of past profits or past losses in the Balance sheet Contingent liabilities / Realization expenses/amount kept aside for expenses and adjustment of actual Treatment of secured liabilities Treatment of preferential liabilities like Govt. dues / labour dues etc Excluding: Insolvency of partner and Maximum Loss Method

Module III

Amalgamation of Firms

Realization method only Calculation of purchase consideration Journal/ledger accounts of old firms Preparing Balance sheet of new firm Adjustment of goodwill in the new firm Realignment of capitals in the new firm by current accounts / cash or a combination thereof Excluding : Common transactions between the amalgamating firms

Module IV

Conversion / Sale of a Partnership Firm into a Ltd. Company

Realisation method only Calculation of New Purchase consideration, Journal / Ledger Accounts of old firms. Preparing Balance sheet of new company

Module V

Accounting of Transactions of Foreign Currency

In relation to purchase and sale of goods, services and assets and loan and credit transactions.

Computation and treatment of exchange rate differences

Syllabus Outcomes

- Understand all transactions and procedure regarding final accounts of partnership firm with various capital method.
- **Solve practical problems after considered order of payment regarding piecemeal distribution of cash. And to experience actual procedure of dissolution of partnership firm.**
- Calculate purchase consideration by net assets method before the amalgamation of partnership firm and solving practical problems after considering various adjustments.
- **Understand inter settlement between and old firm and new company before the conversion of partnership firm into the new joint company.**
- Convert foreign currency translation into Indian currency in practical manner.