

Course Code: BCOM E1035

Title: Financial Accounting

Type/Status: Core

Aims: This course unit is designed to enhance student's knowledge regarding the accounting environment, conceptual framework for the preparation and presentation of the financial statements, selected Sri Lanka Accounting Standards, applicability of those standards to the business organizations, develop a thorough knowledge and understanding on partnership dissolution, amalgamation and conversion partnership in to a company, and branch accounts.

Learning Outcome: By the end of this course unit, students should be able to:

- understand the accounting environment and conceptual framework
- describe the various mode of dissolution of partnership
- prepare the accounts dealing with the purchase of a Sole Trader's business by a Partnership
- prepare the accounts dealing with the purchase of one Partnership business by another
- prepare accounts dealing with the Amalgamation of one or more Sole Traders one or more partnerships to form a new Partnership
- prepare accounts dealing with conversion of partnership to a company
- prepare and present the financial statement of Branches under the decentralization method & centralization method
- illustrate miscellaneous accounts by referring relevant standards

Course Content: Accounting environment and conceptual framework for the preparation and presentation of financial statements. Partnership; Dissolution of partnerships, Purchase of existing partnership, Amalgamation of partnership firms, Conversion of partnership to a company. Branch Accounts; Decentralization Method & Centralization Method. Miscellaneous accounts; Hire purchase accounts, Accounting for Investment, Joint Venture Accounts. Sri Lanka Accounting Standards; Presentation of Financial Statements (LKAS 1), Inventories (LKAS 2), Construction Contracts (LKAS 11), Property Plant & Equipments (LKAS 16), Leases (LKAS 17), Revenue (LKAS 18), Borrowing Costs (LKAS 23).

Method of Teaching & Learning:

Seminar & self learning

Scheme of Evaluation: End year examination

Recommended Readings:

Frank wood, Alan Sangster, (2008). *Business Accounting I* (11th ed.). Pitman Publication.

Maheshwari, S.N. Maheswari, S.K. (2004). *Advanced Accountancy*

(Vol. 01, 9th revised Edition). India: Vikas Publishing

Shukla, M.C., Grewal, T.S. (2006). *Advanced Accounts* (Volume 1,16 Edition). India : S. Chand & Company Ltd.

Sri Lanka Accounting Standards (2011). Institute of Chartered Accountants of Sri Lanka.

Sri Lanka Accounting Standards for Small & Medium Sized Entities (SLFRS for SME's). (2011). Institute of Chartered Accountants of Sri Lanka.