

Accountancy

Code No. 224

Introduction

Every organisation functions on the basis of the accounting structure it follows. All organisations require an accountant to collect and record financial data of that organisation. The Accountant has to see whether the accepted procedures are followed by every organisation. The analysis and interpretation of financial information is also very important for the proper functioning of an organisation. This work can be performed if a person has knowledge in accounting. Hence, Accountancy has been introduced as a separate subject at Secondary Level. The curriculum in Accountancy has been designed according to the needs of NIOS learners. Emphasis is given to work situation of the learners.

Rationale

Today's business environment is very complex but at the same time the growth and development through business, profession and vocational activities have made our lives very comfortable. Recording, grouping and analyzing of monetary transactions for both business and non-business organisations have become very significant. As a result of this growth and development, accountancy as an optional elective subject has become a main part of curriculum for students at Secondary level.

Accountancy being the language of business, knowledge of this area at Secondary level has become significant. Its knowledge empowers the learners in recording, grouping and analyzing the business transactions, so that quick and correct business decisions could be taken. The elementary knowledge of accountancy at Secondary level will enable the learners to understand, the complexities of the subject and to deal with the situations of the present days accounting.

Objectives

After completing this course, the learner will be able to :

- understand the meaning, objectives, advantages, basic concepts and conventions of Accountancy;
- develop the skill of preparing the accounting equation;
- classify the accounts into different categories, understand the rules of debit and credit and develop the skill of preparing accounting vouchers;
- prepare the various books of accounts like journal, cash book, other subsidiary books and ledger;
- develop bank reconciliation statement;
- post the transactions from journal and other subsidiary books to ledger and prepare the trial balance;

- identify the accounting errors and to learn their rectification;
- explain the need for charging depreciation and the straight line and diminishing balance methods of charging depreciation;
- recall the meaning of provisions and reserves;
- prepare Financial statements of a sole trader without and with adjustments ;
- demonstrate the need, importance and advantages of computerized accounting and use of software Tally.

Scope and job opportunity

This field has a large number of opportunities for employment, some of these are:

- teacher in Accountancy.
- Clerk/ assistant in audit, accounts etc.
- Chartered Accountant.
- Management Trainee.

Eligibility conditions

Age: 14 years

Qualification: Ability to read and write

Medium of instruction: Hindi, English, Urdu, Marathi, Telugu, Gujarati, Malayalam, Tamil and Odia medium

Duration of the course: 1 Year

Weightage

Theory: 100 Marks

Tutor Marked Assignment (TMA): 20% Marks of theory

Scheme of studies: 240 hours for theory and TMA (self paced)

Scheme of evaluation: Theory paper 100 marks (3 hours), internal assessment (TMA) (20% of theory marks)

Pass criteria: 33%

Course content

| S. No. | Module/Topics | Duration (in hours) | Module Approach/Description | Weightage (marks) |
|--------|---|---------------------|--|-------------------|
| 1. | Module-I Introduction and Basic concepts 1. Introduction to Accounting 2. Accounting Concepts and Conventions 3. Accounting Terms | 48 | <ul style="list-style-type: none"> • Bookkeeping : Meaning, Need, Objectives and advantages • Accounting : Meaning, Objectives, advantages and limitations • Difference between Bookkeeping and accounting • Users of Accounting information and their needs. • Concepts: Dual Aspect, Money Measurement, Business entity and Going Concern. • Conventions : Materiality, Conservatism and Consistency Accounting Terminology: Capital, Drawing, Assets and Liabilities, Asset, Revenue, Expenditure, Expense, Profit, Loss, Purchases, Sales, Stock, Debtors, Creditors, Receivables, Payables, Debit and Credit. | 20 |
| 2. | Module-II Journal & Other subsidiary books 4. Accounting Equation 5. Double Entry System 6. Journal 7. Cash Book 8. Bank Reconciliation Statement 9. Purchase and Sales Book | 60 | Meaning of Accounting Equation <ul style="list-style-type: none"> • Effects of transactions on Accounting Equation • Preparation of Accounting Equation. Meaning and classification of Accounts <ul style="list-style-type: none"> • Rules of Debit and Credit • Source Documents • Accounting Vouchers : Meaning, types and Preparation Journal : Meaning and Format <ul style="list-style-type: none"> • Journal entries Meaning, Types of Cash Book | 25 |

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|----|--|----|--|----|
| | | | <ul style="list-style-type: none"> • Preparation of Simple Cash Book • Preparation of Cash Book with Bank Column • Preparation of Petty Cash Book • Meaning and Purpose • Preparation of Bank Reconciliation Statement. <p>Meaning and types</p> <ul style="list-style-type: none"> • Preparation of Purchase Book, Sales Book, Purchase Return Book and Sales Return Book | |
| 3. | Module-III Ledger & Trial Balance 10. Ledger 11. Trial Balance and Accounting Errors | 34 | <ul style="list-style-type: none"> • Meaning and Purpose • Difference between Journal and Ledger • Posting of Journal and Other subsidiary books to ledger • Balancing of ledger accounts <p>Trial Balance : Meaning, Objective and limitations</p> <ul style="list-style-type: none"> • Preparation of Trial Balance • Suspense Account • Types of Accounting Errors and their rectification | 14 |
| 4. | Module-IV Depreciation, Provision & Reserves 12. Depreciation 13. Provisions and Reserves | 32 | <ul style="list-style-type: none"> • Meaning, Causes and Objectives of depreciation • Method of Charging depreciation : - Straight line and Diminishing Balance • Accounting Treatment • Provisions : Meaning and need • Reserves : Meaning and Types • Difference between Provisions and Reserves | 14 |

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| 5. | Module-V Preparation of Financial Statements 14. Financial Statements (without adjustments) 15. Financial Statements (with adjustments) | 48 | <ul style="list-style-type: none"> • Financial Statements : Meaning and objective • Preparation of Trading and Profit and Loss Account of a Sole Trader • Preparation of a Balance Sheet of a Sole Trader. • Preparation of Trading and Profit and Loss Account and Balance Sheet of a Sole Proprietor with simple adjustments for Closing Stock • Outstanding expenses • Prepaid Expenses and Depreciation | 20 |
| 6. | Module-VI Computers in Accounting 16. Computers in Accounting 17. Introduction to Tally | 18 | <ul style="list-style-type: none"> • Application of Computer in Accounting • Comparison of Manual and Computerized Accounting • Introduction to Tally • Features and important steps for starting Tally. • Creation of a company in Tally | 9 |