

INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS OF PAKISTAN

COURSE OUTLINE

BASIC ACCOUNTING COURSE [BAC]

[For Fresh Students]

Total Lecture Hours: 15

Objective:

The course is online and non-examinable. The course has designed for all fresh students to provide them with basic knowledge of the principles, concepts, and practices of accounting for comprehending and succeeding in advanced-level courses.

Learning Outcomes:

On completion of this course, students will be able to:

- Understand the nature, purpose and scope of accounting;
- Apprehend the major elements of accounting and debit/ credit rules
- Prepare special journal and journal entries;
- Prepare ledger, trial balance and format of financial statements.

Detailed Syllabus

1. Introduction to Financial Accounting

- Introduction to Business and Accounting
- Types of Business as per nature and ownership of businesses
- Nature & Purpose of Accounting
- Scope & Applicability of Accounting
- Understanding of Assets, liabilities, capital, Income, expenses, revenue, cost of goods sold / cost of sales, operating expenses, Profits, Losses, capital and revenue expenditure, trade discount and early settlement discount
- Concept of accounting equation and its application

2. Special Journals and Journal Entries

- General Journal, Special Journals
- Rules of debit and credit records
- Journal entries of:
 - Cash sales and credit sales
 - Cash purchases and credit purchases
 - Capital and drawings
 - Loan and repayment of loan
 - Expenses and revenue
 - Asset's acquisition and disposal along with entries of depreciation

3. Ledger, Trial Balance and Concept of Financial Statements

- Preparation of ledgers
- Extracting trial balance
- Formats of Financial Statements