

CURRICULUM ACCOUNTANCY (SECONDARY COURSE)

1. 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 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 and Senior Secondary level since the switching over of the school system from Higher Secondary to 10+2 system.

NIOS already imparting education offers Accountancy as an optional elective subject at Senior Secondary level but not at Secondary level. Now, a new subject titled as 'Accountancy' is being offered to the students of NIOS at the Secondary level. Accountancy being the language of business to knowledge at Secondary level has become significant. Its knowledge empowers; the learners in recording, group 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.

2. Objectives

The broader objectives of teaching Accountancy at Secondary level are to enable the learners to:

- to understanding the meaning, objectives, advantages, term used and basic concepts and connections of Accountancy;
- to 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;
- have practical knowledge of preparing the various books of accounts like journal; cash book other subsidiary books and ledger;
- appreciate the need of preparing bank reconciliation statement;
- learn the technique of posting of the transactions from journal and other subsidiary books to ledger and prepare the trial balance;
- Identify the accounting errors to learn their rectification;
- understand the need for charging depreciation and the straight line and diminishing balance methods of charging depreciation;
- appreciate the need for creating provisions and reserves and rules to do so;
- preparing of Financial statements of a sole trader without and with adjustments ;
- understand the need, importance and advantages of computerized accounting and use of software Tally;

3. Course Structure

The syllabus of Accountancy is divided into six modules .

Module	Title	Marks	Hours
1.	Introduction and basic concepts	20	48
2.	Journal and other subsidiary books	25	60
3.	Ledger, Trial Balance and Accounting Errors	14	34
4.	Depreciation, Provisions and Reserves	12	32
5.	Financial Statements	20	48
6.	Computers in Accounting	09	18
Total		100	240

4. Evaluation

Evaluation for this subject would consist of internal evaluations through Tutor Marked Assignments (TMA) and external examination. The external examinations will be conducted twice a year i.e. in the months of April and October. TMA will be treated as a learning tool. It will enable the learners to know their progress and to prepare well for the examination. The project work will help the learners in recording, group and analyzing the monetary transactions on the basis of the final products in the form of financial statements. Besides the above strategies of evaluation, certain inbuilt components for self evaluation in the form of Intext Questions, Terminal Questions and Activity for learners would also be provided in each lesson.

5. Course Description

5.1 Introduction and Basic Concepts 20 Marks 48 Hours

Accounting is indispensable in the modern society. This module will help the students to understand the meaning of various terms used in accounting, meaning, objectives, advantages and limitations of book keeping and accountancy and the difference between the two. The module will also give an insight to the learners about the various Concepts and Conventions applied in the field of accounting and develop accounting equation on the basis of the knowledge so obtained.

5.1.1 Introduction to Accounting

- Book Keeping : Meaning, Need, Objectives and advantages
- Accounting : Meaning, Objectives, advantages and limitations
- Difference between Book Keeping and accounting
- Users of Accounting information and their needs.

5.1.2 Accounting Concepts and Conventions

- Concepts: Dual Aspect, Money Measurement, Business entity and Going Concern.
- Conventions : Materiality, Conservatism and Consistency

5.1.3 Accounting Terms

- Accounting Terminology : Capital, Drawing, Assets and Liabilities, Asset, Revenue, Expenditure, Expense, Profit, Loss, Purchases, Sales, Stock, Debtors, Creditors, Receivables, Payables, Debit and Credit.
- Case Study

5.2 Journal and other subsidiary Books.**25 Marks****60 Hours**

This module will help the students to understand the rules of Debit and Credit and develop the skill of applying these rules in recording the transactions in journal and other subsidiary books. It will also help them in preparing the different subsidiary books such as Cash Book, Purchase Book, Sales Book, Purchase Book, Return Book and Sales Return Book.

5.2.1 Accounting Equation

- Meaning of Accounting Equation
- Effects of transactions on Accounting Equation
- Preparation of Accounting Equation.

5.2.2 Double Entry System

- Meaning and classification of Accounts
- Rules of Debit and Credit
- Source Documents
- Accounting Vouchers : Meaning, types and Preparation

5.2.3 Journal

- Journal : Meaning and Format
- Journal entries

5.2.4 Cash Book

- Meaning, Types of Cash Book
- Preparation of Simple Cash Book
- Preparation of Cash Book with Bank Column
- Preparation of Petty Cash Book

5.2.5 Bank Reconciliation Statement

- Meaning and Purpose
- Preparation of Bank Reconciliation Statement.

5.2.6 Purchase and Sales Book

- Meaning and types
- Preparation of Purchase Book, Sales Book, Purchase Return Book and Sales Return Book

5.3 Ledger and Trial Balance**14 Mark****34 hours**

This module will enable the learners to develop the skill of preparing the ledger and trial Balance. They will be able to identify the different accounting errors, classify the same and learn the ways to rectify the errors.

5.3.1 Ledger

- Meaning and Purpose
- Difference between Journal and Ledger
- Posting of Journal and Other subsidiary books to ledger
- Balancing of ledger accounts

5.3.2 Trial Balance and Accounting Errors

- Trial Balance : Meaning, Objective and limitations
- Preparation of Trial Balance
- Suspense Account
- Types of Accounting Errors and their rectification

5.4 Depreciation, Provisions and Reserves

14 Marks

32 Hrs.

This module will help the learners to understand the methods of spreading the cost of fixed assets throughout their working life using the concept of Depreciation. They will also be able to describe the need and importance of creating Provisions Reserves.

5.4.1 Depreciation: Meaning, Causes and Objectives

- Method of Charging depreciation : Straight line and diminishing Balance
- Accounting Treatment

5.4.2 Provisions and Reserves

- Provisions : Meaning and need
- Reserves : Meaning and Types
- Difference between Provisions and Reserves

5.5 Preparation of Financial Statements

20 Marks

48 Hrs.

This module will enable the learners to understand the meaning and need for preparing financial statements which are the final outcome of the accounting practice. They will learn the steps of the preparation of Income statement and Balance Sheet. The learners will also learn to adjust the different items of adjustment which are provided in the form of additional information (adjustment).

5.5.1 Financial Statements (without adjustments)

- Financial Statements : Meaning and users
- Preparation of Trading and Profit and Loss Account of a Sole Trader.
- Preparation of a Balance Sheet of a Sole Trader.

5.5.2 Financial Statements (with adjustments)

- Preparation of Trading and Profit and Loss Account and
- Account and Balance Sheet of a Sole Proprietor with simple adjustments for
- Closing Stock: Outstanding expenses. Prepaid Expenses and Depreciation

5.6 Computer in Accounting

Marks 9

Hours 18

This module will enable the learners to understand the meaning and characteristics of a computer with its components and limitations. It also emphasises on use of computers in Accounting. It will also make you to learn the difference between manual accounting and computerised accounting. One should be able to know the basic requirements of computerised accounting. Once you are able to know the use and importance of computers in accounting you must understand the meaning, features and important steps for starting Tally ERP 9.0, together with how to create a company in Tally.

5.6.1 Computers in Accounting

- Application of Computer in Accounting
- Comparison of Manual and Computerized Accounting

5.6.2 Introduction to Tally

- Introduction to Tally
- Features and important steps for starting Tally.
- Creation of a company in Tally.

SAMPLE QUESTION PAPER

ACCOUNTANCY

SECONDARY COURSE

Learners, a new course at Secondary level is introduced in Accountancy with effect from the year 2013-14. The course is designed to cater the need of youth at Secondary level together with the demand of stakeholders. This course is a base for you to adopt and understand accountancy in much more easier way at Sr. Secondary level. In the following pages you will find a question paper design followed by sample question paper and marking scheme. The question paper design will guide you about the type of questions, number of questions along with the marks assigned to each question and the marks allotted to each module.

This sample question paper consists the same number and similar type of question paper that you find in your final examination. For example, you will get 6 questions of multiple choice each carrying one mark, 5 questions of very short answers type each carrying 3 marks, 2 question of short answer types each carrying 4 marks, 5 long questions of 5 marks, 6 long questions of 6 marks and one very long question of 10 marks. So you will get 25 questions and the total marks are 100.

The sample question paper is followed by a marking scheme in which expected answers (value points) to the questions are given. This has been given here to illustrate how to attempt the questions. The distribution of marks according to the value points of each answer have also been given.

We hope you will find the Marking Scheme useful in completing this course. In case you have any problem fell free to write NIOS.