



**BASIC COMMERCIAL ACCOUNTING
IN
GENERAL
BY
DR. K.SWAMY
PROFESSOR, DR. MCR HRD I AP**




Accounting & Users of Accounting Information



Steps in Accounting Process

1. Understand Accounting Principles
 2. Write Journal Entries
 3. Ledger Posting
 4. Balancing the Ledger
 5. Subsidiary Books
 6. Prepare trail Balance
 7. Financial Statements
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Accounting Concepts

- ❖ Business Entity Concept
 - ❖ Going Concern Concept
 - ❖ Money Measurement Concept
 - ❖ Cost Concept
 - ❖ Accounting Period Concept
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- ❖ Dual Aspect Concept
- ❖ Matching Concept
- ❖ Realization Concept
- ❖ Balance Sheet Equation
Concept



Accounting Conventions


- 1. Disclosure**
- 2. Materiality**
- 3. Consistency**
- 4. Conservatism**



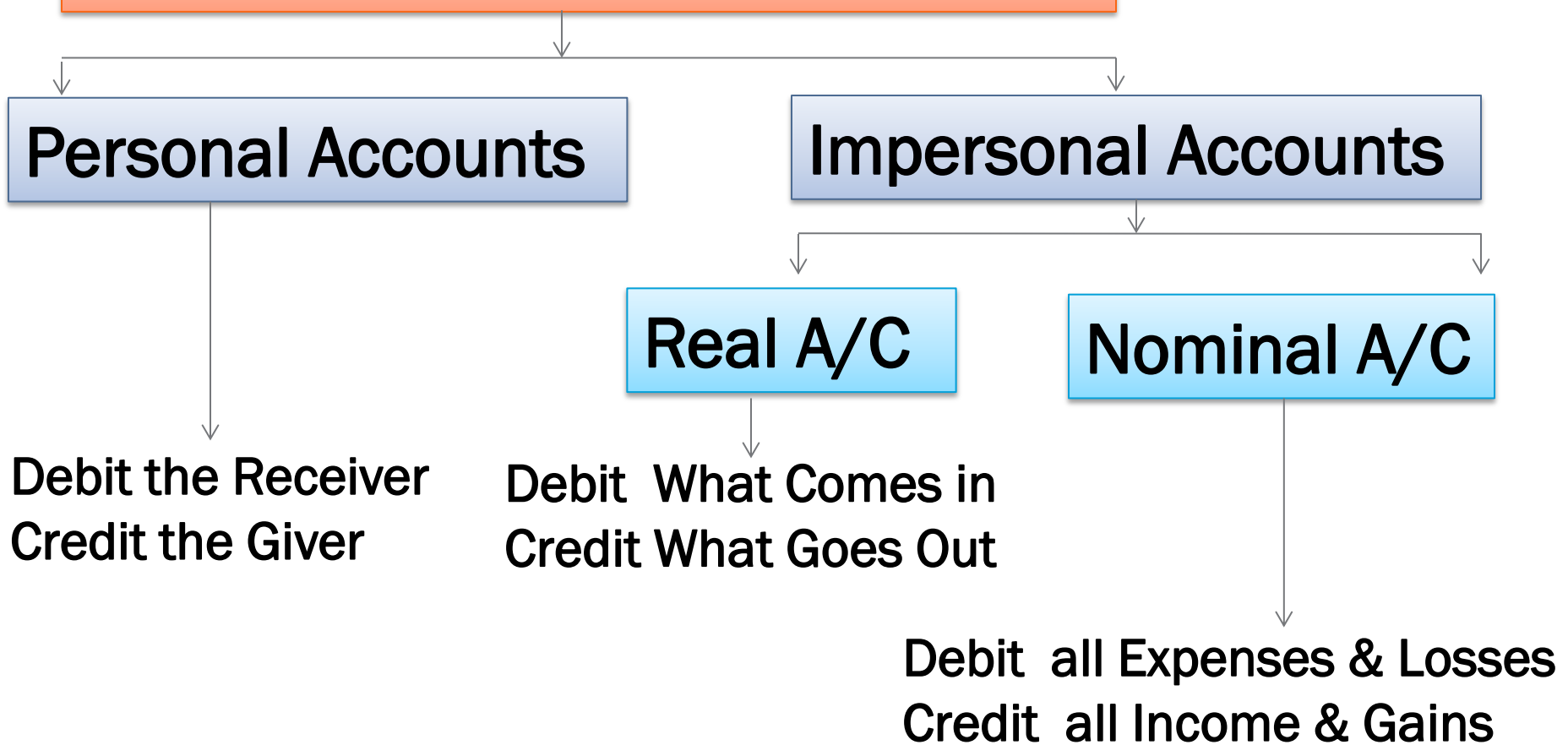
GAAP Vs IFRS



Branches of Accounting

1. Financial Accounting
 2. Cost Accounting
 3. Management Accounting
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Classification of Accounts



Self Check

- Land
- Gopi
- Cash
- Furniture
- Tele-Phone Bill
- Tele-Phone
- Goods
- Salary
- Machinery
- Stationary
- Inventory

JOURNAL FORMAT

1 Date	2 Particulars	3 L.F	4 Dr Amount Rs	5 Cr Amount Rs

LEDGER FORMAT

Dr

Cr

Date	Particulars	L.F	Amount Rs	Date	Particulars	L.F	Amount Rs

FORMAT OF PURCHASE /SALES BOOK

1 Date	2 Particulars	3 L.F	4 Details Rs	5 Amount Rs

Debit Note
Credit Note



Practical Problems

2014		Rs	
April	1	Mishra Commenced business with cash	1,50,000/-
	1	Purchased a motor truck	50,000/-
	2	Purchased goods from Ahmed	20,000/-
	3	Sold goods	1,000/-
	4	Returned goods to Ahmed	500/-
	7	Sold goods to Chand	2,500/-
	8	Chand returned goods	100/-
	11	Cash purchases	5,000/-
	14	Purchased postage stamps	50/-

Continued

		Rs
16	Paid for advertising	500/-
20	Paid office expenses	40/-
25	Drew cash for personal use	1,000/-
26	Cash sales	800/-
27	Paid insurance premium	200/-
30	Paid rent	1,000/-
30	Paid salaries	5,000/-

Thank You!

