

SYBAF / SEM. III // Revised / 2.3.4 Economics – Paper II – (Macro economics)

| | |
|----------------------------|--|
| Topics | |
| National Income | |
| Money supply & banking | |
| Money Demand and Inflation | |
| Fiscal Operations | |
| Economics stabilization | |
| Balance of Payments | |

Detailed Contents

National Income

Concept and measurement- Real vs nominal GNP, Price indices and normal income deflation- circular flow of income: Closed (2 and 3 sector models) and open economy models- trade cycles; features and phases- effective demand

Money Supply and Banking

Constituents and determinants- credit creation by the banking system, central banking: Functions- RBI's approach to money supply- objectives of monetary policy and monetary management- transmission mechanism of monetary policy.

Money Demand and inflation

Demand for money: liquidity preference approach- inflation: demand pull and cost push Causes and measures to control inflation

Fiscal Operations

Operations of a budget- Public revenue: Sources, public expenditure: Classification, public debt: Types of fiscal deficit, Burden and management

Economic Stabilization

IS- LM Framework and impact of changes in the monetary policy and the fiscal policy.

Balance of Payments

Structure of BOP- Types of disequilibrium- Measures to correct disequilibrium- foreign exchange market- its functions- its exchange rates: Spot and forward

SYBAF / Sem. III/ Revised Financial Accounting

| | |
|--|--|
| TOPICS | |
| Admission of partner | |
| Retirement / Death of Partner | |
| Dissolution of Partnership firm | |
| Piecemeal Distribution of cash | |
| Partnership Final Accounts based on adjustment on admission or retirement of a partner during the year | |
| Introduction to Company's Financial Statements | |

Detailed Contents

Admission of Partner:-

Revaluation of assets and liabilities (through Profit & loss Adjustment Account)
Accumulated Profit & losses And Fictitious assets appearing in the Balance Sheet
Computation of Sacrifice ratio / New Profit sharing ratio
Treatment of goodwill brought in cash/goodwill raised in books / Goodwill raised and written off
Adjustments of Capital
Preparing journal /ledger Account
Revised Balance sheet

Retirement / Death of Partner:-

Revaluation of assets and liabilities (through Profit & loss Adjustment Account)
Accumulated Profit & losses And Fictitious assets appearing in the Balance Sheet
Computation of gain ratio / New Profit sharing ratio
Treatment of goodwill brought in cash/goodwill raised in books / Goodwill raised and written off
Adjustments of Capital
Preparing journal /ledger Account
Revised Balance sheet

Dissolution of Partnership firm

Entries to close the books of accounts/ ledger accounts
Insolvency of one or all the partners
Adjustments of Partners based on Profit sharing ratio
Treatment of unrecorded assets/liabilities
(excluding Garner v/s Murray)

Piecemeal Distribution of cash

Excess Capital Method and Maximum Loss Method
Assets/Liabilities taken over by partner
Treatment of past profit or past losses in the Balance Sheet
Contingent liabilities /realization expenses /amount kept aside for expenses and adjustment of actual
Treatment of secured liabilities, Treatment of preferential liabilities like Govt. Dues / labour dues etc

Partnership Final Accounts based on adjustment on admission or retirement of a partner during the year:

Final accounts questions to demonstrate the effect of final accounts when a partner is admitted during the year or when partner retired/ dies during the year

Allocation of gross profit prior to and after admission / retirement /death when stock on the date of admission / retirement is not given and apportionment of other expenses based on time/sales/other given basis

Ascertainment of gross profit prior to and after admission / retirement /death when stock on the date of admission / retirement is not given and apportionment of other expenses based on time/sales/other given basis

Introduction to Company's Financial Statements;

Contents of financial Statements

Form of Financial Statements- Vertical & Horizontal

(Problems on Preparation of financial Statements not required)

SYBAF / SEM. III / Revised /Foundation Course II – Fundamentals of Investment Analysis

| | |
|--------------------------------------|--|
| Topics | |
| Investment | |
| Types of Investment | |
| Investment Decisions by Individuals | |
| Modern Financial Instruments | |
| Valuation of Shares | |
| Valuation of Fixed return Securities | |
| Capital Market | |
| Accounting Investment | |

Detailed Contents

Investment a) Meaning b) Accounting Standard 13

Types Of investment

- a) Financial : Shares, Bonds b) Mutual funds c) Real Estate
- d) Movable e.g. Jewellery e) Insurance

Investment Criteria by Individuals

- a) Growth b) Regularity c) Liquidity d) Social factors e) Risk bearing

Modern Financial Instruments

- a) Shares : i) Equity ii) Preference iii) convertible
- b) Bonds of various types

Valuation of Shares (with goodwill)

- a) Yield Method b) Asset Backing(intrinsic value) c) Valuation in varying paid up value

Valuation of Fixed return Securities

- a) Bonds of various types b) Preference shares

Capital Markets

- a) Primary b) Secondary c) Stock exchange listing d) S.E.B.I. e) Indexes f) Ratings

Valuation : C.A.P.M. Beeta Analysis

Accounting for Investment

SYBAF / SEM. III // Revised 2.3.6 Management – paper 1- (Principles of Management)

| | |
|--------------------------------|--|
| Topics | |
| Management | |
| Evolution of Management Theory | |
| Planning | |
| Organizing | |
| Directing | |

Detailed Contents

Management

Importance- definition-managerial function-process of management- levels of management- managerial skills , management – and art science or profession?

Professional versus family management

Evolution of the management theory

Work of Fedrick Taylor, Fayols contribution- behavioral science approach- systems approach-contingency approach

Planning

Meaning – Importance –elements –process- limitation. Decision making

Concept importance steps in decision making.

Preparation of a business plan

Organizing

Concept nature significance authority and responsibility, relationships centralization and decentralization departmentation organizing structure, forms

Staffing- importance sources of recruitment election process

Directing

Meaning and steps in direction motivation- concept, theories- Maslow Herzberg Mc Gregor leadership- concept, styles and trades, control- concept process, effective central system, control techniques, coordination, definition and importance

SYBAF / SEM. III // Revised / Auditing paper II- (Technique of Auditing & Audit Procedures)

Auditing Techniques & Internal Audit introduction

Test Check

Test Checking vs Routing Checking, test checking meaning, features ,factors to be considered, when Test Checks can be used ,advantage ,disadvantages, precautions

Audit Sampling

Audit sampling, meaning, purpose ,factors in determining sample size- Sampling risk, tolerable Error & expected error, methods of selecting Sample items
Evaluation of Sample Results auditors Liability in conducting audit based on sample

Internal Control

Meaning & Purpose , review of internal control ,advantages, auditors duty, review of internal control. Inherent limitations of internal control, internal control samples for sales & debtors, purchases & Creditors, wages & salaries

Internal Audit

Meaning, basic principles of establishing internal audit, objectives, evaluation of internal audit by statutory auditor, usefulness of internal Audit

Internal Audit Vs External audit, internal checks Vs internal Control, Internal Checks Vs test checks, Internal Checks Vs internal Audit

Audit of income & Expenditure

Auditing Techniques:- vouching

Audit of Income

Cash sales, sales on approval, consignment sales, sales return,
Recovery of Bad Debts written off, rental receipts, interest & dividends received royalties received

Audit of expenditure

Purchases, purchase returns, salaries & wages, rent, Insurance premium, telephone expense
Postage & Courier, petty cash expenses, traveling commission advertisement, interest expense, depreciation.

Audit of assets & Liabilities

Auditing Techniques- verification

Audit of assets

Fixed assets: Plant & Machinery, Land & Building, furniture & Fixtures, Trademarks/Copyrights

Patents Know-How

Quoted investments & unquoted investment

Current assets: Book Debts/debtors, stocks, Patterns, Dies & Loose tools, Spare Parts, Empties & containers

Audit of Liabilities

Outstanding Expenses, bills payable secured loans, unsecured loans Contingent liabilities

Functional Audits

Audit of Non Profit making Organizations

Meaning of Non Profit making Organizations, major sources of funds and application of funds, audit procedures to be followed.

Important provisions affecting Account & audit under Bombay Public Trust Act

Audit of Co-operative Society

Special Features of a cooperative society, audit aspects of a cooperative society, schedules to main audit report, audit of cooperative housing society, Audit of consumer cooperative society

SYBAF / SEM. III // Revised / 2.3.5 Business Law Paper II (Company Law)

| | |
|--|--|
| Topics | |
| The companies Act, (Excluding provisions relating to accounts and audit sections managing agents and secretaries and treasurers sections 324-388E, arbitrations, compromises, arrangements and reconstructions- sections 389 to 396) | |
| Corporate personalities; Kinds of companies | |
| Promotion and incorporation of companies | |
| Memorandum of Associations, Article of Associations prospectus shares share capital members share capital- transfer and transmission | |
| Capital Management- borrowing powers, mortgages and charges debentures | |
| Directors- Managing Director, whole time director | |
| Company Meetings- Kinds quorum, voting resolutions minutes | |
| Majority Powers and minority rights; prevention of oppression and mismanagement | |

SYBAF / SEM. III // Revised / 2.3.2 COST ACCOUNTING PAPER II-(Method of Costing)

Topics

Job and Batch Costing
Process Costing
Joint and by Product
Contract Costing
Cost records and cost audit

Detailed contents

Job and Batch Costing

Job Costing Procedure,
Batch Costing Procedure,
Economic Batch Quantity
Simple problems on preparation of job cost sheet
Simple problems on preparation of batch cost sheet

Process costing

Essential characteristics of process costing .Comparison of process costing and job costing, process costing procedure .Practical problems based on Process loss , Abnormal gains and losses . Excluding Equivalent units Inter-process profit.

Joint and by product

Joint product meaning
Methods of apportionment of joint cost
By products meaning
Treatment of by product
Simple practical problems
Distinction between joint and by product

Contract Costing

Features of contract costing, contract costing procedure, special points in contract costing, Simple practical problems on Progress payments, Retention money, Contract accounts, Accounting for material, Accounting for tax deducted at source by the contractee , Accounting for plant used in a contract, treatment of profit on incomplete contracts, Contract profit and Balance sheet entries.
Excluding Escalation clause.

Cost records and cost audit

Cost Records,
Items covered under cost audit rules
Functions and scope of cost audit
Cost audit programme
Cost audit under companies act