

CLUSTER UNIVERSITY SRINAGAR
UG 2ND SEMESTER (NEP)
PROGRAMME: COMMERCE Honours
SUBJECT: ACCOUNTING & TAXATION

COURSE TITLE: PARTNERSHIP ACCOUNTING	COURSE TYPE: MAJOR
COURSE CODE: UGCOM22J201	TOTAL CREDITS: 4; (THEORY = 3; TUTORIAL = 01)

Course Objectives: The broad course objectives are the following:

- To enable the learners to comprehend accounting for partnership firm.
- To enable learners, understand the effect of admission, retirement, and death of a partner on the firm.
- To enable the learners, understand the procedure of dissolution of a partnership firm.

Learning Outcome: After going through this course, the students are expected to develop a Clear understanding, knowledge and application of the skills in the field of Partnership Accounting.

Curriculum Details:

UNIT-I	Introduction
	a) Partnership: features. Partnership Deed, Provisions of the Indian Partnership Act 1932 in the absence of partnership deed; b) Fixed v/s fluctuating capital accounts. Preparation of Profit and Loss Appropriation account, Division of profit among partners, guarantee of profits, Past adjustments (relating to interest on capital, interest on drawing, salary, and profit-sharing ratio). c) Goodwill: Meaning, features, factors determining the value of goodwill and its classification.
UNIT-II	Reconstitution of Partnership I
	a) Adjustments required at the time of change in Profit-Sharing Ratio (Calculation of new profit sharing ratio, adjustment of Goodwill, profit/Loss arising from revaluation, accumulated profits/losses & Capitals) b) Admission of a partner: Effects of admission of a partner, calculation of new profit-sharing ratio, sacrificing ratio, treatment of goodwill (as per AS 26), revaluation of assets and reassessment of liabilities, preparation of Memorandum revaluation A/c, treatment of reserves, accumulated profits and losses, adjustment regarding capitals.
UNIT-III	Reconstitution of Partnership II and Dissolution of Partnership
	a) Retirement and death of a partner: Effect of retirement / death of a partner, modes of retirement, liabilities of a retiring partner, calculation of new profit sharing ratio, treatment of goodwill (as per AS 26), revaluation of assets and reassessment of liabilities, adjustment of accumulated profits, losses and reserves, adjustment regarding capitals. Calculation of deceased partner's share of profit till the date of death. Preparation of deceased partner's capital account. b) Dissolution of a partnership firm: Meaning of dissolution of partnership and partnership firm, types of dissolution of a firm. Settlement of accounts - preparation of realization account, and other related accounts: capital accounts of partners and cash/bank a/c (Excluding piecemeal distribution, sale to a company and insolvency of partner(s)).
Unit - 4	Tutorial
	a) Presentations on topics discussed from Unit-I to Unit 3 b) Assignments on topics discussed from Unit-I to Unit 3 c) Group discussions on topics discussed from Unit-I to Unit 3

SUGGESTED READINGS:

- P.C. Tulsian, Financial Accounting, Tata McGraw Hill, New Delhi,
- S. N. Maheshwari, Financial Accounting. Vikas Publication, New Delhi.
- C. Mohan Juneja, Baljindersingh & others, Accountancy, Kalyani Publishers, Ludhiana.
- R.L. Gupta and V. K. Gupta, Principles and Practice of Accountancy Sultan Chand and Sons, New Delhi.
- JR Monga, Basic Financial Accounting, Mayur Paper backs, Darya Gang New Delhi.