



IAS YOUTH COMPUTER CENTRE

DIPLOMA IN FINANCIAL ACCOUNTING

Bookkeeping • Financial Statements • Taxation • Computerized Accounting • Excel

INSTITUTE ADDRESS

- 88/1, Queen Apartment, 2nd Floor, Dumdum Road, Near Life Line Medical Store, Kolkata – 700030, West Bengal
- Diploma-level practical accounting textbook

Course Level: Diploma

Focus: Accounting Fundamentals • Bookkeeping • Final Accounts • Taxation • TallyPrime • Excel • Financial Analysis

About This Book

This practical textbook provides a structured foundation in financial accounting for students preparing for diploma-level study and entry-level accounting work. It covers bookkeeping, journals and ledgers, cash and bank transactions, inventory, depreciation, final accounts, taxation concepts, computerized accounting and Excel-based reporting.

The chapters combine accounting theory with practical exercises. Students should maintain a transaction workbook and a project file containing source documents, working notes, statements and computerized-accounting outputs.

Learning Outcomes

- Explain fundamental accounting principles and concepts.
- Apply the accounting equation and double-entry system.
- Record transactions in journals and post them to ledgers.
- Prepare cash books, petty cash records and bank reconciliations.
- Prepare trial balances and identify common accounting errors.
- Record purchases, sales, returns, receivables and payables.
- Maintain basic inventory and fixed-asset records.
- Calculate depreciation and pass year-end adjustment entries.
- Prepare final accounts for a sole proprietor.
- Understand payroll, costing and budgeting fundamentals.
- Understand basic GST, TDS and business compliance workflows.
- Use TallyPrime and spreadsheets for computerized accounting.
- Interpret selected financial ratios and basic financial reports.
- Apply internal-control, documentation and backup practices.

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23. Excel for Financial Accounting
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25. Internal Control, Audit Trail & Documentation
26. Practical Financial Accounting Projects
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1. Introduction to Financial Accounting

Learning Outcomes

- Understand the purpose, scope and role of financial accounting in business.

Meaning of accounting, bookkeeping, accounting information, users of financial statements and the accounting cycle.

Core Topics

Meaning and objectives of accounting

Study the practical use of meaning and objectives of accounting and apply it through a guided accounting exercise.

Bookkeeping vs accounting

Study the practical use of bookkeeping vs accounting and apply it through a guided accounting exercise.

Users of accounting information

Study the practical use of users of accounting information and apply it through a guided accounting exercise.

Accounting cycle

Study the practical use of accounting cycle and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Introduction to Financial Accounting**, retain the working notes and verify the result before submission.

2. Accounting Principles, Concepts & Conventions

Learning Outcomes

- Apply fundamental accounting principles while recording and presenting transactions.

Business entity, going concern, money measurement, accounting period, consistency, prudence and other basic concepts.

Core Topics

Business entity and going concern

Study the practical use of business entity and going concern and apply it through a guided accounting exercise.

Money measurement

Study the practical use of money measurement and apply it through a guided accounting exercise.

Accounting period

Study the practical use of accounting period and apply it through a guided accounting exercise.

Consistency and prudence

Study the practical use of consistency and prudence and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Accounting Principles, Concepts & Conventions**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

3. Accounting Equation & Double-Entry System

Learning Outcomes

- Understand the relationship between assets, liabilities and capital and apply double-entry principles.

Accounting equation, debit and credit, account classification and effects of business transactions.

Core Topics

Assets, liabilities and capital

Study the practical use of assets, liabilities and capital and apply it through a guided accounting exercise.

Revenue and expenses

Study the practical use of revenue and expenses and apply it through a guided accounting exercise.

Debit and credit

Study the practical use of debit and credit and apply it through a guided accounting exercise.

Transaction effects

Study the practical use of transaction effects and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Accounting Equation & Double-Entry System**, retain the working notes and verify the result before submission.

4. Types of Accounts & Rules of Debit and Credit

Learning Outcomes

- Classify accounts correctly and determine the appropriate debit and credit treatment.

Personal, real and nominal accounts; traditional rules and modern account classification.

Core Topics

Personal, real and nominal accounts

Study the practical use of personal, real and nominal accounts and apply it through a guided accounting exercise.

Modern classification

Study the practical use of modern classification and apply it through a guided accounting exercise.

Debit rules

Study the practical use of debit rules and apply it through a guided accounting exercise.

Credit rules

Study the practical use of credit rules and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Types of Accounts & Rules of Debit and Credit**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

5. Source Documents & Journal Entries

Learning Outcomes

- Record business transactions accurately in the books of original entry.

Invoices, receipts, vouchers, bills, debit/credit notes, journal format and narration.

Core Topics

Invoices and receipts

Study the practical use of invoices and receipts and apply it through a guided accounting exercise.

Vouchers and bills

Study the practical use of vouchers and bills and apply it through a guided accounting exercise.

Journal format

Study the practical use of journal format and apply it through a guided accounting exercise.

Narration

Study the practical use of narration and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Source Documents & Journal Entries**, retain the working notes and verify the result before submission.

6. Ledger Posting & Balancing

Learning Outcomes

- Post journal entries to ledger accounts and determine balances.

Ledger format, posting, balancing, debit/credit balances and account summaries.

Core Topics

Ledger format

Study the practical use of ledger format and apply it through a guided accounting exercise.

Posting from journal

Study the practical use of posting from journal and apply it through a guided accounting exercise.

Balancing accounts

Study the practical use of balancing accounts and apply it through a guided accounting exercise.

Closing balances

Study the practical use of closing balances and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Ledger Posting & Balancing**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

7. Cash Book & Petty Cash

Learning Outcomes

- Maintain cash and bank records and control small routine payments.

Single, double and triple-column cash book concepts, petty cash and imprest system.

Core Topics

Cash book types

Study the practical use of cash book types and apply it through a guided accounting exercise.

Bank column

Study the practical use of bank column and apply it through a guided accounting exercise.

Discount columns

Study the practical use of discount columns and apply it through a guided accounting exercise.

Petty cash and imprest

Study the practical use of petty cash and imprest and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Cash Book & Petty Cash**, retain the working notes and verify the result before submission.

8. Bank Transactions & Bank Reconciliation

Learning Outcomes

- Identify differences between book records and bank statements.

Bank charges, direct deposits, outstanding cheques, unpresented items and reconciliation statement.

Core Topics

Bank statement

Study the practical use of bank statement and apply it through a guided accounting exercise.

Timing differences

Study the practical use of timing differences and apply it through a guided accounting exercise.

Bank charges and direct credits

Study the practical use of bank charges and direct credits and apply it through a guided accounting exercise.

Reconciliation statement

Study the practical use of reconciliation statement and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Bank Transactions & Bank Reconciliation**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

9. Trial Balance & Error Checking

Learning Outcomes

- Prepare a trial balance and use it to identify basic accounting errors.

Purpose, format, debit/credit totals, common errors and limitations of trial balance.

Core Topics

Purpose of trial balance

Study the practical use of purpose of trial balance and apply it through a guided accounting exercise.

Preparation

Study the practical use of preparation and apply it through a guided accounting exercise.

Common errors

Study the practical use of common errors and apply it through a guided accounting exercise.

Suspense account concept

Study the practical use of suspense account concept and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Trial Balance & Error Checking**, retain the working notes and verify the result before submission.

10. Purchases, Sales & Business Invoices

Learning Outcomes

- Record trading transactions and maintain purchase and sales documentation.

Cash/credit purchases, sales, returns, discounts, trade documents and party accounts.

Core Topics

Purchase and sales entries

Study the practical use of purchase and sales entries and apply it through a guided accounting exercise.

Returns

Study the practical use of returns and apply it through a guided accounting exercise.

Trade and cash discounts

Study the practical use of trade and cash discounts and apply it through a guided accounting exercise.

Business invoices

Study the practical use of business invoices and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Purchases, Sales & Business Invoices**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

11. Accounts Receivable & Payable

Learning Outcomes

- Maintain customer and supplier records and monitor outstanding balances.

Receivables, payables, ageing concepts, credit control and settlement entries.

Core Topics

Customer and supplier accounts

Study the practical use of customer and supplier accounts and apply it through a guided accounting exercise.

Outstanding balances

Study the practical use of outstanding balances and apply it through a guided accounting exercise.

Credit periods

Study the practical use of credit periods and apply it through a guided accounting exercise.

Basic ageing analysis

Study the practical use of basic ageing analysis and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Accounts Receivable & Payable**, retain the working notes and verify the result before submission.

12. Inventory & Stock Accounting

Learning Outcomes

- Understand inventory records, valuation concepts and stock control.

Opening/closing stock, purchases, issues, stock records, inventory valuation concepts and cost of goods sold.

Core Topics

Stock records

Study the practical use of stock records and apply it through a guided accounting exercise.

Cost of goods sold

Study the practical use of cost of goods sold and apply it through a guided accounting exercise.

Inventory valuation concepts

Study the practical use of inventory valuation concepts and apply it through a guided accounting exercise.

Stock control

Study the practical use of stock control and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Inventory & Stock Accounting**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

13. Depreciation & Fixed Assets

Learning Outcomes

- Record the systematic allocation of the cost of fixed assets.

Fixed assets, useful life, residual value, straight-line method, reducing-balance method and disposal.

Core Topics

Asset recognition

Study the practical use of asset recognition and apply it through a guided accounting exercise.

Straight-line depreciation

Study the practical use of straight-line depreciation and apply it through a guided accounting exercise.

Reducing-balance method

Study the practical use of reducing-balance method and apply it through a guided accounting exercise.

Disposal of assets

Study the practical use of disposal of assets and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Depreciation & Fixed Assets**, retain the working notes and verify the result before submission.

14. Adjustments & Accrual Accounting

Learning Outcomes

- Apply year-end adjustments to ensure accurate financial statements.

Outstanding and prepaid expenses, accrued income, income received in advance, depreciation and provisions.

Core Topics

Accrued and prepaid items

Study the practical use of accrued and prepaid items and apply it through a guided accounting exercise.

Outstanding expenses

Study the practical use of outstanding expenses and apply it through a guided accounting exercise.

Unearned income

Study the practical use of unearned income and apply it through a guided accounting exercise.

Year-end adjustments

Study the practical use of year-end adjustments and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Adjustments & Accrual Accounting**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

15. Final Accounts of a Sole Proprietor

Learning Outcomes

- Prepare trading, profit and loss account and balance sheet from accounting records.

Trading account, gross profit, net profit, balance sheet, adjustments and closing entries.

Core Topics

Trading account

Study the practical use of trading account and apply it through a guided accounting exercise.

Profit and loss account

Study the practical use of profit and loss account and apply it through a guided accounting exercise.

Balance sheet

Study the practical use of balance sheet and apply it through a guided accounting exercise.

Closing adjustments

Study the practical use of closing adjustments and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Final Accounts of a Sole Proprietor**, retain the working notes and verify the result before submission.

16. Rectification of Errors

Learning Outcomes

- Identify and correct accounting errors through appropriate entries.

Errors of omission, commission, principle, compensating errors, suspense account and rectification.

Core Topics

Errors of omission

Study the practical use of errors of omission and apply it through a guided accounting exercise.

Errors of commission

Study the practical use of errors of commission and apply it through a guided accounting exercise.

Errors of principle

Study the practical use of errors of principle and apply it through a guided accounting exercise.

Compensating errors

Study the practical use of compensating errors and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Rectification of Errors**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

17. Bills of Exchange & Basic Receivables Instruments

Learning Outcomes

- Understand common bill transactions and their accounting treatment.

Drawer, drawee, payee, acceptance, maturity, discounting, dishonour and renewal concepts.

Core Topics

Parties to a bill

Study the practical use of parties to a bill and apply it through a guided accounting exercise.

Acceptance and maturity

Study the practical use of acceptance and maturity and apply it through a guided accounting exercise.

Discounting

Study the practical use of discounting and apply it through a guided accounting exercise.

Dishonour and renewal

Study the practical use of dishonour and renewal and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Bills of Exchange & Basic Receivables Instruments**, retain the working notes and verify the result before submission.

18. Payroll Accounting & Business Records

Learning Outcomes

- Understand salary records and common payroll accounting entries.

Gross salary, deductions, net pay, employer records, payroll registers and statutory-record concepts.

Core Topics

Salary structure

Study the practical use of salary structure and apply it through a guided accounting exercise.

Payroll register

Study the practical use of payroll register and apply it through a guided accounting exercise.

Deductions

Study the practical use of deductions and apply it through a guided accounting exercise.

Basic payroll entries

Study the practical use of basic payroll entries and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Payroll Accounting & Business Records**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

19. Cost Accounting Fundamentals

Learning Outcomes

- Understand costs and use basic cost information for business decisions.

Direct and indirect costs, fixed and variable costs, product/service costs and cost classification.

Core Topics

Direct and indirect costs

Study the practical use of direct and indirect costs and apply it through a guided accounting exercise.

Fixed and variable costs

Study the practical use of fixed and variable costs and apply it through a guided accounting exercise.

Product/service costing

Study the practical use of product/service costing and apply it through a guided accounting exercise.

Cost classification

Study the practical use of cost classification and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Cost Accounting Fundamentals**, retain the working notes and verify the result before submission.

20. Budgeting, Cost Control & Basic Analysis

Learning Outcomes

- Use budgets and accounting information for planning and control.

Budget concepts, variance basics, cost control, break-even concepts and management reporting.

Core Topics

Budget preparation

Study the practical use of budget preparation and apply it through a guided accounting exercise.

Actual vs budget

Study the practical use of actual vs budget and apply it through a guided accounting exercise.

Variance basics

Study the practical use of variance basics and apply it through a guided accounting exercise.

Break-even concept

Study the practical use of break-even concept and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Budgeting, Cost Control & Basic Analysis**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

21. Taxation, GST & Compliance Fundamentals

Learning Outcomes

- Understand basic business tax records and the accounting workflow for GST.

Tax invoices, input/output tax concepts, GST records, reconciliations, TDS concepts and compliance documentation. Current rules should be verified before actual filing.

Core Topics

Tax invoice

Study the practical use of tax invoice and apply it through a guided accounting exercise.

Input/output tax

Study the practical use of input/output tax and apply it through a guided accounting exercise.

GST records

Study the practical use of gst records and apply it through a guided accounting exercise.

TDS concepts and compliance documentation

Study the practical use of tds concepts and compliance documentation and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Taxation, GST & Compliance Fundamentals**, retain the working notes and verify the result before submission.

22. Computerized Accounting & TallyPrime

Learning Outcomes

- Apply accounting concepts using computerized accounting software.

Company setup, groups, ledgers, vouchers, purchase/sales, inventory, cash/bank, GST workflow concepts and reports.

Core Topics

Company setup

Study the practical use of company setup and apply it through a guided accounting exercise.

Groups and ledgers

Study the practical use of groups and ledgers and apply it through a guided accounting exercise.

Voucher entry

Study the practical use of voucher entry and apply it through a guided accounting exercise.

Inventory and reports

Study the practical use of inventory and reports and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Computerized Accounting & TallyPrime**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

23. Excel for Financial Accounting

Learning Outcomes

- Use spreadsheets to automate calculations and prepare accounting reports.

Accounting templates, formulas, functions, sorting, filtering, charts, reconciliation and financial summaries.

Core Topics

Accounting worksheets

Study the practical use of accounting worksheets and apply it through a guided accounting exercise.

Functions and formulas

Study the practical use of functions and formulas and apply it through a guided accounting exercise.

Reconciliation

Study the practical use of reconciliation and apply it through a guided accounting exercise.

Financial summaries

Study the practical use of financial summaries and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Excel for Financial Accounting**, retain the working notes and verify the result before submission.

24. Financial Statements & Basic Ratio Analysis

Learning Outcomes

- Interpret financial statements using selected accounting ratios.

Liquidity, profitability, activity and solvency indicators; comparison and limitations of ratio analysis.

Core Topics

Liquidity ratios

Study the practical use of liquidity ratios and apply it through a guided accounting exercise.

Profitability ratios

Study the practical use of profitability ratios and apply it through a guided accounting exercise.

Solvency ratios

Study the practical use of solvency ratios and apply it through a guided accounting exercise.

Interpretation and limitations

Study the practical use of interpretation and limitations and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Financial Statements & Basic Ratio Analysis**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

25. Internal Control, Audit Trail & Documentation

Learning Outcomes

- Understand controls that improve accuracy, authorization and accountability.

Segregation of duties, approvals, supporting documents, audit trail, backups and record retention.

Core Topics

Authorization and approvals

Study the practical use of authorization and approvals and apply it through a guided accounting exercise.

Segregation of duties

Study the practical use of segregation of duties and apply it through a guided accounting exercise.

Supporting documents

Study the practical use of supporting documents and apply it through a guided accounting exercise.

Audit trail and backups

Study the practical use of audit trail and backups and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Internal Control, Audit Trail & Documentation**, retain the working notes and verify the result before submission.

26. Practical Financial Accounting Projects

Learning Outcomes

- Integrate accounting knowledge into complete business cases.

Source documents, journal, ledger, cash book, trial balance, adjustments, final accounts, spreadsheet and computerized accounting.

Core Topics

Integrated business case

Study the practical use of integrated business case and apply it through a guided accounting exercise.

Manual accounting

Study the practical use of manual accounting and apply it through a guided accounting exercise.

Excel accounting

Study the practical use of excel accounting and apply it through a guided accounting exercise.

Computerized accounting

Study the practical use of computerized accounting and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Practical Financial Accounting Projects**, retain the working notes and verify the result before submission.

Quick Revision

- Define the key accounting terms from the chapter.
- List the main steps of the accounting workflow.
- Identify one common error or control point related to the topic.

27. Viva, Glossary & Final Assessment

Learning Outcomes

- Review accounting concepts and demonstrate practical competence.

Viva questions, key terminology, revision and integrated final practical examination.

Core Topics

Revision

Study the practical use of revision and apply it through a guided accounting exercise.

Viva questions

Study the practical use of viva questions and apply it through a guided accounting exercise.

Glossary

Study the practical use of glossary and apply it through a guided accounting exercise.

Final practical assessment

Study the practical use of final practical assessment and apply it through a guided accounting exercise.

Practical Activity

Complete a hands-on exercise related to **Viva, Glossary & Final Assessment**, retain the working notes and verify the result before submission.

Final Practical Assessment

Complete an integrated accounting project for a simulated sole-proprietorship or small business. The project should demonstrate the full accounting cycle from source documents to financial statements and computerized reporting.

Integrated Project Tasks

- Create a chart of accounts and record opening balances.
- Prepare source documents and journal entries for a set of business transactions.
- Post entries to ledger accounts and prepare a trial balance.
- Maintain a cash book and petty cash record.
- Prepare a bank reconciliation statement from supplied book and bank data.
- Record purchases, sales, returns, receivables and payables.
- Prepare an inventory schedule and calculate cost of goods sold using supplied assumptions.
- Calculate depreciation for selected fixed assets.
- Pass year-end adjustment entries for accruals, prepayments and other supplied adjustments.
- Prepare trading account, profit and loss account and balance sheet.
- Rectify a set of accounting errors.
- Prepare a basic payroll register and accounting entry.
- Prepare a simple cost sheet and budget with variance analysis.
- Record a practice GST transaction using supplied assumptions and reconcile tax amounts.
- Enter selected transactions in TallyPrime or another computerized accounting environment.
- Prepare an Excel-based accounting summary and selected financial ratios.
- Prepare an internal-control checklist and backup plan.
- Submit a project report and explain the accounting treatment during viva.

Suggested Mark Distribution

Assessment Area	Marks
Accounting concepts & double entry	10
Journal, ledger & trial balance	15
Cash book & bank reconciliation	10
Purchases, sales & inventory	10
Final accounts & adjustments	15
Taxation/GST practice	10
Payroll/costing/budgeting	10
TallyPrime/Excel computerized accounting	10
Internal controls & documentation	5
Viva & project presentation	5

Viva & Interview Questions

- What is financial accounting?
- What is bookkeeping?
- What is the accounting equation?
- What is double-entry bookkeeping?
- What is a ledger?
- What is a journal?
- What is a cash book?
- What is petty cash?
- What is bank reconciliation?
- What is a trial balance?
- What is depreciation?
- What is inventory?
- What is gross profit?
- What is net profit?
- What is a balance sheet?
- What are outstanding expenses?
- What are prepaid expenses?
- What are accounts receivable?
- What are accounts payable?
- What is a cost sheet?
- What is a budget?
- What is GST?
- What is input tax?
- What is TDS?
- What is TallyPrime?
- Why are accounting backups important?
- What is an internal control?

Glossary

Asset: A resource controlled by a business that has economic value.

Liability: An obligation payable by the business.

Capital: Owner's interest in the business after considering liabilities.

Journal: Book of original entry in which transactions are first recorded.

Ledger: Collection of individual accounts used for classification and reporting.

Trial Balance: Statement of debit and credit balances used to check basic arithmetic agreement.

Depreciation: Systematic allocation of the depreciable amount of a fixed asset over its useful life.

Inventory: Goods or materials held for sale or use in business operations.

Receivable: Amount due to a business from a customer or other party.

Payable: Amount owed by a business to a supplier or other party.

GST: Goods and Services Tax applicable to specified supplies under relevant law.

TDS: Tax deducted at source on specified payments where applicable.

Bank Reconciliation: Process of comparing bank-book records with the bank statement.

Cost Centre: Unit used to track costs or income for a department, project or responsibility area.

TallyPrime: Business accounting and management software used for accounting, inventory and related workflows.



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