**==========================================================================Title: Accounting Theory and Practices Code: ACC 547**

**Credit Hours: 3 Year /Semester: II/IV** **48 Hours**

**Course Objectives:**

1. To understand various accounting concepts and principles and apply these concepts and principles in practice.
2. To familiarize the students with Accounting Standards issued by national and international bodies.
3. To familiarize students with corporate governance issues and practices.
4. To gain the knowledge and develop the capacity to comply with statutory reporting requirements.

**Unit 1 Conceptual framework: foundation for Financial Statements 15 Hours**

Conceptual framework for accounting; Accounting Assumptions & principles in financial accounting; Generally, accepted accounting principles (GAAP); Framework for the preparation & presentation of financial statement; Purpose & States of Accounting standards; Accounting standard Board; Overview of Nepal Accounting Standards and International Financial Reporting ( Mandatory, Recommendatory, Exposure Draft) Process of setting accounting standards, International financial Reporting Standard (IFRS); Accounting policies; Quantitative character of FS; True & Fair representation; Recognition of income; Expenses; Assets & Liabilities; Measurement of element of FS; concept of capital maintenance **Unit 2 Corporate Financial Reporting 10 Hours**

Concept of corporate financial Reporting; Objective of Corporate Financial Reporting; Corporate Governance; Reporting & Disclosure requirement as per SEBON, NRB, Insurance board Directive, Companies act 2063, Tax law; and Accounting Standard, Corporate reporting practices in Nepal, Directors & Auditors report

**Unit 3 Price Level Changes 8 Hours**

Introduction of Inflation Accounting; Need of inflation accounting; limitation of historical cost based accounting; General, Specific & Relative Price Level Changes; Current cost accounting Method; general purchasing power method; Effect of price level changes in Financial Statements .

**Unit 4 Development Issues in Reporting 5 Hours**

Value Added: Concept of value added; Economic value added; Monetary Value Added; shareholder value added; value added statement

Human Resource accounting & Reporting: Human Resource Accounting & Reporting in Nepal; Corporate Social Performance & Responsibility Accounting; Environment Accounting & Internet Financial Reporting

**Unit 5 Reporting & Analyzing of Financial Statements 10 Hours**

Preparation & presentation of companies including public sector undertaking, Banks, Financial Institution, Insurance companies, Co-operatives in accordance with applicable national standards; Disclosure of Accounting Policies

**Reference Books:**

1. Accounting Standard Board: ***Nepal Accounting Standard***, Kathmandu Nepal
2. ***International Financial Reporting Standards (IFRS).***
3. Baker, R.E., Lembke, V. C. & King, T. E.: ***Advance Financial Accounting,*** McGraw Hill Book Co.
4. Bloom and Elgers: ***Foundation of Accounting Theory and Policy***, H.B. Collage Publishers, USA