

Advanced Financial Accounting

1. Knowledge:

- Recall and explain the concepts and principles of advanced financial accounting, including fire insurance, loss of profit, and average clause.
- Define and describe departmental accounting, departmental trading, single entry system, and double entry system in accounting.

2. Comprehension:

- Interpret the principles of fire insurance, loss of profit, and average clause and their application in financial accounting.
- Differentiate between departmental accounting methods and their implications on financial reporting.
- Explain the advantages and limitations of single entry system and double entry system in accounting.

3. Application:

- Apply the concepts of fire insurance, loss of profit, and average clause to calculate and record insurance claims and losses in financial statements.
- Implement departmental accounting techniques to allocate costs and evaluate performance of individual departments.
- Create journal entries and ledger accounts using single entry system and double entry system to record financial transactions accurately.

4. Analysis:

- Analyze short workings in financial statements and identify errors or discrepancies in calculations.
- Analyze the impact of average due date on payment schedules and cash flow management.
- Evaluate the interest table and calculate interest amounts for different time periods using appropriate accounting methods.

5. Evaluation:

- Assess the effectiveness of journal entries in recording financial transactions and maintaining financial records.
- Evaluate the impact of fire insurance, loss of profit, and average clause on the financial position and performance of a company.
- Critically analyze the efficiency of departmental accounting systems in improving decision-making and resource allocation within an organization.

6. Synthesis:

- Design a comprehensive accounting system that incorporates fire insurance, loss of profit, average clause, and departmental accounting for a specific industry or business.
- Develop strategies to mitigate risks and losses through effective use of fire insurance and loss of profit coverage.
- Create financial reports and statements using double entry system and analyze the financial health of a company based on the information provided.