

# **Personal Accounting and Financial planning**

## **Course Objectives**

1. To familiarize the learners with the fundamental aspect of Financial Accounting and Financial Management
2. To facilitate basic accounting practices and personal financial management among the learners in their day to day life.
3. To make them understand the concepts of Financial Statements, Financial forecasting and Budgeting
4. To Make them capable to apply accounting and financial management concepts in Financial planning and Investment decisions

## **Course Outcomes**

1. The learners will be able to use accounting concepts to record their personal financial transaction in a systematic manner.
2. The learners will become capable to use financial management concept for their personal financial planning and investment.
3. The learners ability will get enhanced, to identify risk associated with investment opportunities.
4. The learners will be able to avoid money defalcation, unnecessary investments and excessive spending.
5. The learners can plan their retirement needs and investment planning.

## **Importance of Course**

Accounting plays an important role in many different aspects of life, from private endeavors, to the public sector. Much of the information used in personal finance involves accounting and it is important for all people, not just accountants or business owners, to have a basic understanding of accounting. This includes valuation methods as well as common terminology used within the accounting field. In addition to using accounting basics in your personal life, it can help people have a better understanding of how businesses handle their finances. Having a better understanding of how businesses make a profit allows you to make smarter choice

regarding investments, and other financial decisions. Further personal financial management will help the learners to plan their future cash inflows and outflows in such a manner, that they can estimate and invest surplus or savings in appropriate manner to reap maximum gain out of it.

1. Target students- UG and PG students.
2. Minimum qualification – HSC
3. Course duration- 3 Months
4. Course type- Certificate course
5. Course assessment- Weekly Assignments and one final online test ( 60 MCQ based exam)
6. Duration of final test ( 1 & ¼ Hour)
7. Total marks 100 ( 40 marks assignment and 60 marks Final test.
8. Minimum passing criteria 50 marks ( minimum 20 marks in assignments and 30 marks in final test)

## **Course contains**

### **Personal Financial Accounting (15 lectures of 1 hour)**

#### **Unit 1 Scope of Accounting and Accounting standards**

Meaning and scope of accounting, Accounting principles and accounting standards, Revenue and Capital items. Accounting in EDP environment

#### **Unit 2 Accounting transactions and financial statements**

Preparation of Journal, subsidiary books and Ledger, Bank reconciliation statement, Depreciation accounting and Inventory valuation, Preparation of trial balance and final accounting of sole proprietary firm, Budgetary Control and forecasted financial statements.

### **Personal Financial Planning and management (15 lectures of 1 hour)**

#### **Unit 3 Personal Finance**

Time value of Money and personal financial statements, Money management ( Managing savings account, Credit cards and consumer loan), Management of acquisition of personal assets ( Housing, equipment and motor vehicle), Tax planning

#### **Unit 4 Investment planning**

Risk analysis and Insurance planning ( Life insurance, Medical insurance, Personal accident policy, Motor insurance etc.), Retirement planning (Retirement need analysis, Development of retirement plan and Investment in retirement investment schemes), Personal portfolio management ( Bank FD, Company deposits, Mutual funds, Shares and securities)

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