

UNIT 1

ACCOUNTS FROM INCOMPLETE RECORDS



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- 1.8 Preparation of final accounts from incomplete records



Points to recall

The following points are to be recalled before learning accounts from incomplete records:

- ◇ Double entry system and its principles
- ◇ Types of accounts and rules of accounting
- ◇ Final accounts
- ◇ Treatment of adjustments such as bad debts, provision for bad and doubtful debts, depreciation, etc., in final accounts under double entry system.



Learning objectives

- To enable the students to
- ◇ Understand the features and limitations of incomplete records
 - ◇ Prepare statement of affairs and calculate profit or loss from incomplete records
 - ◇ Prepare final accounts from incomplete records

Key terms to know

- ◇ Incomplete records
- ◇ Statement of affairs
- ◇ Total debtors account
- ◇ Total creditors account

