

Class – XII
REVISED SYLLABUS
(For the Session of 2020-21 Only)
Accountancy
(THEORY)

Part A:

Accounting for Not-For-Profit Organisations, Partnership Firms and Companies.

Unit 1: Accounting for Not-for-profit Organisations

- Meaning and features of not for profit organisations.
- Receipts and payments Account
- Preparation of Income and Expenditure Account

Unit 2: Accounting for Partnership firms

- Nature of Partnership firm, Partnership Deed-meaning, importance.
- Partners' Capital Accounts : Fixed vs Fluctuating Capital, Division of Profit among partners, Profit and Loss Appropriation Account.

Unit 3: Reconstitution of Partnership

Changes in Profit Sharing Ratio among the existing partners- Sacrificing Ratio and Gaining Ratio.

- Accounting for Revaluation of Assets and Liabilities and distribution of reserves (Accumulated Profits).
- Goodwill: Nature, Factors affecting and methods of valuation: Average profit, Super profit.
- *Admission of a Partner*: Effect of Admission of Partner, Change in Profit Sharing Ratio, Accounting Treatment for Goodwill (as per AS 10), Revaluation of Assets and Liabilities, Adjustment of Capitals.
- *Retirement of a Partner*: Change in Profit Sharing ratio, accounting treatment of Goodwill, Revaluation of Assets and Liabilities, Dissolution of a partnership firm.

Unit 4: Accounting for Share Capital and Debenture

- Share Capital: Meaning and Types.
- Accounting for share capital: Issue and Allotment of Equity Shares; public subscription of shares : over subscription and under subscription; issue at par, premium and at discount; calls in arrears, issue of shares for consideration other than cash.
- Forfeiture of shares : accounting treatment, re-issue of forfeited shares.
- Issue of debentures at par; Premium and at discount; writing of discount and loss on issue of debentures; issue of debentures for consideration other than cash.

Part B: Financial Statement Analysis

Unit 5: Analysis of Financial Statements

- Financial Statements of a Company: preparation of simple balance sheet of a company in the prescribed form with major headings only.
- Financial Statement Analysis: meaning, significance, limitations,
- Tools for Financial Statement Analysis: Accounting Ratios: meaning and objectives, types of ratios:
 - Liquidity Ratios:* Current Ratio, Liquid Ratio
 - Solvency Ratios:* Debt to Equity, Proprietary Ratio
 - Activity Ratios:* Inventory Turnover, Debtors Turnover, Payables Turnover
 - Profitability Ratio:* Gross Profit, Operating, Net Profit, Return on Investment

Unit 6: Cash Flow Statement

- Cash Flow Statement: Meaning and objectives, preparation, adjustments related to depreciation, dividend and tax, sale and purchase of non-current assets (as per revised standard issued by ICAI)

Unit 7: Project Work in Accounting

OR

Part C: Computerised Accounting

Unit 5: Overview of Computerized Accounting System

- Concept and types of Computerised Accounting System (CAS)
- Features of a Computerized Accounting System

Unit 6: Accounting using Database Management System (DBMS)

- Concept of DBMS
- Objects in DBMS: Tables, Queries, Forms, Reports
- Creating data tables for accounting
- Using queries, forms and reports for generating accounting information. Applications of DBMS in generating accounting information such as shareholders' records, sales reports, customers' profile, suppliers' profile, payroll.

Unit 7: Accounting Applications of Electronic Spreadsheet

- Concept of an Electronic Spreadsheet (ES)
- Features offered by Electronic Spreadsheet
- Applications of Electronic Spreadsheet in generating accounting information.

Unit 8: Practical Work in Computerised Accounting

