

CBSE Board Accountancy Syllabus for Class 12

CLASS XII

One Paper

Unit

Part A : Accounting for Partnership Firms and Companies

1. Accounting for Partnership Firms - Fundamentals
2. Accounting for Partnership Firms - Reconstitution and Dissolution
3. Accounting for Share Capital
4. Accounting for Debentures

Part B: Financial Statement Analysis

5. Analysis of Financial Statements
6. Cash Flow Statement
7. Project Work

Unit 1 : Project File

Unit 2 : Written Test

Unit 3 : Viva Voce'

Part C: Computerized Accounting

5. Overview of Computerized Accounting System
6. Accounting Applications of Electronic Spread sheet
7. Using Computerized Accounting System
8. Data Base Management System
9. Practical Work

Unit 1 : File

Unit 2 : Practical Examination

Unit 3 : Viva Voce'

CLASS XII

PART A: Accounting for Partnership Firms and Companies

Unit 1. Accounting for Partnership firms - Fundamentals

- Partnership : features, Partnership deed.
- Provisions of the Indian Partnership Act 1932 in the absence of partnership deed.
- Fixed v/s fluctuating capital accounts, division of profit among partners, guarantee of profits, past adjustments (relating to interest on capital, interest on drawing, salary and profit sharing ratio), preparation of P&L Appropriation account.
- Goodwill: nature, factors affecting and methods of valuation - average profit, super profit, and capitalization

Unit 2. Accounting for Partnership firms - Reconstitution and Dissolution

- Change in the Profit Sharing Ratio among the existing partners - sacrificing ratio, gaining ratio. Accounting for revaluation of assets and re-assessment of liabilities and distribution of reserves and accumulated profits.
- Admission of a partner - effect of admission of a partner on change in the profit sharing ratio, treatment of goodwill (as per AS 26), treatment for revaluation of assets and re - assessment of liabilities, treatment of reserves and accumulated profits, adjustment of capital accounts and preparation of balance sheet
- Retirement and death of a partner: effect of retirement /death of a partner on change in profit sharing ratio, treatment of goodwill, treatment for revaluation of assets and re - assessment of liabilities, adjustment of accumulated profits and reserves. calculation of deceased partner's share of profit till the date of death. Preparation of deceased partner's capital account, executor's account and preparation of balance sheet
- Dissolution of partnership firms: types of dissolution of firm. Settlement of accounts - preparation of realization account, and other related accounts (excluding piecemeal distribution, sale to a company and insolvency of partner's firm) .

Unit 3. Accounting for share Capital

- Share and share capital : nature and types
- Accounting for share capital: issue and allotment of equity shares, private placement of shares, Public subscription of shares - over subscription and under subscription of shares; Issue at par and at premium and at discount, calls in advance and arrears, issue of shares for consideration other than cash.
- Accounting treatment of forfeiture and re-issue of shares.
- Disclosure of share capital in company's Balance Sheet only.

Unit 4. Accounting for Debentures

- Debentures: Issue of debentures at par, `at premium and at discount. Issue of debentures for consideration other than cash, debentures as collateral security, interest on debentures
- Redemption of debentures : Lump sum, draw of lots and conversion.

PART B: Financial Statement Analysis

Unit 5. Analysis of financial Statements

- Financial statements of a company: balance sheet of a company in the prescribed form with major headings and sub headings (as per schedule VI to the Companies Act 1956).
- Financial Statement Analysis: objectives and limitations.
- Tools for Financial Statement Analysis: comparative statements, common size statements, cash flow analysis, ratio analysis.
- Accounting Ratios: objectives and classification.
- Liquidity ratios: current ratio and quick ratio.
- Solvency Ratios: Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio, Interest Coverage Ratio.
- Activity ratios: Stock Turnover Ratio, Debtors Turnover Ratio, Creditors Turnover Ratio, Working Capital Turnover Ratio.
- Profitability Ratios : Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.

Unit 6. Cash Flow Statement

- Meaning, objectives and preparation (as per AS 3 revised) (Indirect Method)

Unit 7. Project work

- Kindly refer to the Guidelines published by the CBSE.

OR

Part C: Computerised Accounting

Unit 5 Overview of Computerised Accounting System

- Introduction : Application in Accounting
- Features of Computerised Accounting System
- Structure of CAS
- Software Packages:
 - Generic
 - Specific
 - Tailored

Unit 6 Accounting Application of Electronic Spread Sheet

- Concept of Electronic Spreadsheet
- Features offered by Electronic Spreadsheet
- Application in Generating Accounting Information I
 - Payroll
 - Data Presentation
 - Graphs, Charts and Diagrams

Unit 7 Using Computerized Accounting System

- Steps in installation of CAS, codification and Hierarchy of account heads, creation of accounts.
- Data : Entry, Validation and Verification
- Adjusting entries, preparation of balance sheet, profit and loss account with closing entries and opening entries
- Need and security features of the system

Unit 8 Database Management System (DBMS)

- Concept and Features of DBMS
- DBMS in Business Application
- Generating Accounting Information 1
 - Payroll
 - Generating Accounting Information 2
 - Debtors and Creditors
 - Bank Reconciliation Statement
 - Asset Accounting
 - Inventory Accounting

Unit 9. Practical Work