

CBSE Syllabus for Class 12 Accountancy 2020-21

Accountancy (Code No. 055) Class-XII (2020-21)

Theory: 80 Marks

Duration: 3 Hours

Project: 20 Marks

Units	Content	Marks
Part A	Accounting for Not-for-Profit Organizations, Partnership Firms and Companies	
	Unit 1. Financial Statements of Not-for-Profit Organizations	10
	Unit 2. Accounting for Partnership Firms	30
	Unit 3. Accounting for Companies	20
		60
Part B	Financial Statement Analysis	
	Unit 4. Analysis of Financial Statements	12
	Unit 5. Cash Flow Statement	8
		20
Part C	Project Work	20
	Project work will include	
	OR	
Part B	Computerized Accounting	
	Unit 4. Computerized Accounting	20
Part C	Practical Work	20
	Practical work will include:	
	Practical File 4 Marks	
	Practical Examination 12 Marks (One Hour)	
	Viva Voce 4 Marks	

Part A: Accounting for Not-for-Profit Organizations, Partnership Firms and Companies

Unit 1: Financial Statements of Not-for-Profit Organizations Units/Topics

- Not-for-profit organizations: concept.
- Receipts and Payments Account: features and preparation.
- Income and Expenditure Account: features, preparation of income and expenditure account and balance sheet from the given receipts and payments account with additional information.

Unit 2: Accounting for Partnership Firms Units/Topics

- Partnership: features, Partnership Deed.
- Provisions of the Indian Partnership Act 1932 in the absence of partnership deed.
- Fixed v/s fluctuating capital accounts. Preparation of Profit and Loss Appropriation account-division of profit among partners, guarantee of profits.
- Past adjustments (relating to interest on capital, interest on drawing, salary and profit sharing ratio).
- Goodwill: nature, factors affecting and methods of valuation – average profit, super profit and capitalization.
- Accounting for Partnership firms – Reconstitution and Dissolution.

Unit-3 Accounting for Companies

Accounting for Share Capital

- Share and share capital: nature and types.
- Accounting for share capital: issue and allotment of equity and preferences shares. Public subscription of shares – over subscription and under subscription of shares; issue at par and at premium, calls in advance and arrears (excluding interest), issue of shares for consideration other than cash.
- Concept of Private Placement and Employee Stock Option Plan (ESOP).
- Accounting treatment of forfeiture and reissue of shares.
- Disclosure of share capital in the Balance Sheet of a company.

Accounting for Debentures

- Debentures: Issue of debentures at par, at a premium and at a discount. Issue of debentures for consideration other than cash; Issue of debentures with terms of redemption; debentures as collateral security concept, interest on debentures. Writing off discount / loss on issue of debentures.

Note: Discount or loss on issue of debentures to be written off in the year debentures are allotted from Security Premium Reserve (if it exists) and then from Statement of Profit and Loss as Financial Cost (AS 16).

- Creation of Debenture Redemption Reserve.

Part B: Financial Statement Analysis

Unit 4: Analysis of Financial Statements

- Analysis: Objectives, importance and limitations.
- Tools for Financial Statement Analysis: Comparative statements, common size statements, cash flow analysis, ratio analysis.
- Accounting Ratios: Meaning, Objectives, classification and computation.
- Liquidity Ratios: Current ratio and Quick ratio.
- Solvency Ratios: Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio and Interest Coverage Ratio.
- Activity Ratios: Inventory Turnover Ratio, Trade Receivables Turnover Ratio, Trade Payables Turnover Ratio and Working Capital Turnover Ratio.
- Profitability Ratios: Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.

Unit 5: Cash Flow Statement

Meaning, objectives and preparation (as per AS 3 (Revised) (Indirect Method only))