



CBSE Class 12 Accountancy Updated Syllabus

U.No	Units Name	Periods	Marks
Part A	Accounting for Partnership Firms and Companies		
	Unit 1: Accounting for Partnership Firms	105	36
	Unit 2: Accounting for Companies	45	24
Part B	Financial Statement Analysis		
	Unit 3: Analysis of Financial Statements	30	12
	Unit 4: Cash Flow Statement	20	8
Part C	Project Work		
	Project File	20	4
	Written Test		12
	Viva Voice		4
OR			
Part B	Computerized Accounting		
	Unit 4: Computerized Accounting	50	20
Part C	Practical Work		
	Practical File	20	4
	Practical Examination		12
	Viva Voice		4



Part A: Accounting For Partnership Firms And Companies

Unit-1: Accounting For Partnership Firms

Partnership: features, Partnership Deed.

Provisions of the Indian Partnership Act 1932 in the absence of a partnership deed.

Fixed v/s fluctuating capital accounts. Preparation of Profit and Loss Appropriation account- division of profit among partners, a guarantee of profits.

Past adjustments (relating to interest on capital, interest on drawing, salary and profit sharing ratio).

Goodwill: meaning, nature, factors affecting and methods of valuation - average profit, super profit and capitalization.

Note: Interest on the partner's loan is to be treated as a charge against profits.

Goodwill: meaning, factors affecting, need for valuation, methods for calculation (average profits, super profits and capitalization), adjusted through partner's capital/ current account or by raising and writing off goodwill (AS 26)

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 reassessment of liabilities and treatment of reserves, accumulated profits and losses. Preparation of revaluation account and balance sheet.

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 reassessment of liabilities, treatment of reserves, accumulated profits and losses, adjustment of capital accounts and preparation of capital, current account and balance sheet.

Retirement and Death of a Partner: effect of retirement/ death of a partner on change in profit sharing ratio, treatment of goodwill (as per AS 26), treatment for revaluation of



assets and reassessment of liabilities, adjustment of accumulated profits, losses and reserves, adjustment of capital accounts and preparation of capital, current account and balance sheet. Preparation of loan account of the retiring partner.

Calculation of deceased partner's share of profit till the date of death. Preparation of the deceased partner's capital account and his executor's account.

Dissolution of a Partnership Firm: meaning of dissolution of partnership and partnership firm, types of dissolution of a firm. Settlement of accounts - preparation of realization account and other related accounts: capital accounts of partners and cash/bank a/c (excluding piecemeal distribution, sale to a company and insolvency of partner(s)).

Note:

- (i) If the realized value of tangible assets is not given it should be considered as realized at book value itself.
- (ii) If the realized value of intangible assets is not given it should be considered as nil (zero value).
- (ii) In case, the realization expenses are borne by a partner, clear indication should be given regarding the payment thereof.

Unit-3: Accounting for Companies

Accounting for Share Capital

Features and types of companies

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; the issue at par and at a premium, call in advance and arrears (excluding interest), issue of shares for consideration other than cash. Concept of Private Placement and Employee Stock Option Plan (ESOP), Sweat Equity.



Accounting treatment of forfeiture and reissue of shares.

Disclosure of share capital in the Balance Sheet of a company

.Accounting for Debentures

Debentures: Meaning, types, 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)

Part B: Financial Statement Analysis

Unit 4: Analysis of Financial Statements

Financial statements of a Company:

Meaning, Nature, Uses and importance of financial Statement. After going through this Unit, the students will be able to: develop the understanding of major headings Statement of Profit and Loss and Balance Sheet in prescribed form with major headings and sub headings (as per Schedule III to the Companies Act, 2013)

Note: Exceptional items, extraordinary items and profit (loss) from discontinued operations are excluded.

- **Financial Statement Analysis: Meaning, Significance Objectives**, importance and limitations.
- **Tools for Financial Statement Analysis:** Cash flow analysis, ratio analysis.
- **Accounting Ratios:** Meaning, Objectives, Advantages, 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. Debt to Capital Employed Ratio.
- **Activity Ratios:** Inventory Turnover Ratio, Trade Receivables Turnover Ratio, Trade Payables Turnover Ratio, Fixed Asset Turnover Ratio, Net Asset Turnover Ratio and Working Capital Turnover Ratio.
- **Profitability Ratios:** Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.
- **Note:** Net Profit Ratio is to be calculated on the basis of profit before and after tax.

Unit 5: Cash Flow Statement

Meaning, objectives Benefits, Cash and Cash Equivalents, Classification of Activities and preparation (as per AS 3 (Revised) (Indirect Method only).

Note:

- (i) Adjustments relating to depreciation and amortization, profit or loss on sale of assets including investments, dividend (both final and interim) and tax.
- (ii) Bank overdraft and cash credit to be treated as short term borrowings.
- (iii) Current Investments to be taken as Marketable securities unless otherwise specified.

Note: Previous years' Proposed Dividend to be given effect, as prescribed in AS-4, Events occurring after the Balance Sheet date. Current years' Proposed Dividend will be accounted for in the next year after it is declared by the shareholders.

Project Work

One specialised project based on a company's financial statement analysis that covers any two of the following:

1. Comparative and common size financial statements
2. Accounting Ratios
3. Segment Reports



4. Cash Flow Statements

OR

Part B: Computerised Accounting

Unit 4: Computerised Accounting Overview of Computerised Accounting System

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

Accounting Application of Electronic Spreadsheet

- Concept of electronic spreadsheet.
- Features offered by electronic spreadsheet.
- Application in generating accounting information – bank reconciliation statement; asset accounting; loan repayment of loan schedule, ratio analysis
- Data representation- graphs, charts and diagrams.

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.



Suggested Question Paper Design		
Accountancy (Code No. 055)		
Marks: 80	Time: 3hrs	
Project: 20	Class XII (2023-24)	
Typology of Questions	Marks	Percentage
Remembering and Understanding: Demonstrate recollection of previously studied content by recalling facts, terminology, fundamental concepts, and responses. Organise, compare, translate, interpret, give descriptions, and state essential concepts to demonstrate comprehension of facts and ideas.	44	55
Applying: Solve problems in new situations by applying acquired knowledge, facts, procedures, and rules in different manners.	19	23.75
Analysing, Evaluating, and Creating: Examine and dissect information by discovering reasons or causes. Make assumptions and seek evidence to back up generalisations. Make judgements about information, the validity of ideas, or the quality of work based on a set of standards to present and defend beliefs. Compile data in a novel way by combining pieces in a new pattern or suggesting alternative options.	17	21.25
Total	80	100



Prescribed Books:

Book	Publications
Accountancy -I	NCERT
Accountancy -II	NCERT
Accountancy – Computerised Accounting System	NCERT