

ACCOUNTANCY CLASS XI

*One Paper**3 Hours**100 Marks**180 Periods*

Unit	Unitwise Weightage	Period	Marks
FINANCIAL ACCOUNTING-I			
Unit 1	Introduction of Accounting	11	6
Unit 2	Theory Base of Accounting	11	6
Unit 3	Recording of Transaction & Preparation of Trial Balance	18	10
Unit 4	Depreciation, Provisions and Reserves	18	10
Unit 5	Accounting for Bills of Exchange	18	10
Unit 6	Rectification of Errors	14	8
FINANCIAL ACCOUNTING II			
Unit 7	Financial Statements of Business Organisations	30	20
Unit 8	Financial Statement of Not for Profit Organisation	20	10
Unit 9	Accounts from Incomplete Records	20	10
Unit 10	Computers in Accounting	10	10
Unit 11	Project Report/Work (To be conducted by the institution)	10	-

FINANCIAL ACCOUNTING-I

Unit-1: Introduction to Accounting:

- (a) Accounting-Meaning, Objectives. Types of accounting information, advantages and limitations. Users of Accounting information and their needs. Double Entry system. Bases of Account - Cash basis, accrual basis and hybrid basis.
- (b) Basic Accounting Terms - Business transaction, Account, Capital, Drawings, Liability - Internal and External, Asset - Current, Liquid, Fixed; Expense, Income, Profits, Losses, Purchases, Sales, Stock, Debtors, Bills Receivables, Creditors, Bills payables, Goods, Cost, Vouchers, Discount (Trade and Cash).

Unit-2: Theory Base of Accounting:

- (a) Fundamental of Accounting Assumption - Going Concern, Consistency, Accrual.
- (b) Accounting Principles - Accounting Entity, Money measurement, Accounting Period, Full Disclosure, Materiality, Prudence, Cost Concept and Dual Aspect.
- (c) Accounting Standards-Concept and objectives.

Unit 3: Recording of Transactions and preparation of Trial Balance

- (a) Accounting Equation - Meaning, Analysis of transactions, Using Accounting Equation.
- (b) Rules of Debit and Credit - For Assets, Liabilities, Capital, Revenue and Expenses.
- (c) Origin of transactions - Source Documents - (Invoice, Cash memo, Pay in slip, Cheque), Preparation of vouchers - Cash (Debit and Credit), Non Cash (Transfer).
- (d) Books of original Entry - Meaning, Format and Recording.
- (e) Cash Book - Simple, Cash Book with Bank Column, Petty Cash Book.
- (f) Other Books - Purchases Book, Sales Book, Purchases Returns Book, Sales Returns Book, Bills Receivable Book, Bills Payable Book and Journal Proper.
- (g) Ledger - Meaning, Utility, Format, Posting from Journal, Cash book and other Special purpose Books, Balancing of Accounts.
- (h) Trial Balance - Meaning, Objectives and preparation.
- (i) Bank Reconciliation Statement - Meaning, Need and Preparation.

Unit 4: Depreciation, Provisions and Reserves

- (a) Depreciation - Meaning, Need and factors affecting depreciation.
- (b) Methods of Computation of Depreciation - Straight line Method, Written Down Value Method (Excluding Change in method).
- (c) Accounting Treatment of Depreciation - By charging to Asset Account, by creating Provision for Depreciation/Accumulated Depreciation Account, preparation of Asset Disposal Account.
- (d) Provisions and Reserves - Meaning, Objective and Difference between provisions and Reserves.
- (e) Types of Reserves - Revenue Reserve, Capital Reserve, General Reserve, Specific Reserves, Secret Reserves.

Unit 5: Accounting for Bills of Exchange

- (a) Bills of Exchange - Definition, features, parties, Specimen and treatment.
- (b) Important Terms - Term of Bill, Due date, Days of Grace, Date of maturity, Bill at sight, Bill after date, Discounting of Bill, Endorsement of Bill, Sent for Collection, Dishonour of Bill, Noting of Bill, Insolvency of Acceptor, Retirement and Renewal of bill.

Unit 6: Rectification of Errors

- (a) Errors and theory types - Errors not affecting trial balance and Errors affecting trial balance.
- (b) Rectification of errors before and after the preparation of financial statements.
- (c) Suspense Account - Meaning, Preparation and treatment of suspense account balance in final statements.

FINANCIAL ACCOUNTING -II**Unit 7: Financial Statement of Business Organisations**

- (a) Financial Statements - Meaning, Objective and Importance.
- (b) Trading and Profit and Loss Account - Gross Profit, Operating Profit and Net Profit.
- (c) Balance Sheet - Need, Grouping, Marshalling of Assets and Liabilities.
- (d) Adjustments in preparation of Financial Statements - with respect to closing stock, outstanding expenses, prepaid expenses, accrued income, income received in advance, depreciation, bad debts, provision for doubtful debts, provision for discount on debtors.
- (e) Preparation of Trading and profit and Loss - Account and Balance Sheet of Sole proprietorship Concerns.

Unit 8: Financial Statement of Not for profit Organisations

- (a) Not for Profit Organisation - Concept.
- (b) Receipts and payment Account - Meaning and features.
- (c) Income and Expenditure - Meaning and feature, Preparation of Income and Expenditure Account and Balance Sheet from the given Receipt and Payment Account with additional information.
- (d) Balance Sheet - Meaning and Features.

Unit 9: Accounts from Incomplete Records

- (a) Incomplete Records - Meaning, uses and limitations.
- (b) Ascertainment of profit and losses by the statement of Affairs Method.
- (c) Preparation of Trading and Profit and Loss Account and Balance Sheet (with reference to missing figures in total debtors account, Total Creditors Accounts, Bills Receivable account, Bills Payable account, Cash Book and opening statement of Affairs (Easy problems)).

Unit 10: Computers in Accounting

- (a) Introduction to Computer Accounting System - Components of CAS, Features, Grouping of Accounts, Using Software of CAS, Advantages and Limitations of CAS, Accounting Information System.
- (b) Application of Computers in Accounting - Automation of accounting process, designing accounting reports, data exchange with other information system.
- (c) Comparison of accounting process in manual and computerized accounting highlighting advantages and limitation of automation.

Unit 11: Project Work

- (a) Collection of Source Documents, Preparation of Vouchers, Recording of Transactions with the help of vouchers.

- (b) Preparation of Bank Reconciliation Statement with the help of given Cash Book and Pass Book.
- (c) Preparation of the Final Account (Sole proprietorship) incorporating at least five or six items of adjustments.

Students are required to submit a project work/report on any one of projects given above under the guidance of one faculty members of the Commerce Department.

The report should be submitted by the student of the concerned teacher who guides the student. The report will be evaluated by the guide and the mark should be submitted to the Principal/HOD.

Marks may be suitably distributed over different parts of the project as under :

- (a) Objectives
- (b) Methodology
- (c) Findings
- (d) Suggestions

Format for Project Work -

- Problem details - Facts of the problem.
- Required information.
- Steps to solve the problem.
- Solution and presentation of information.
- Analysis and interpretation of information.

Project file should be neatly handwritten and presentable, with page number marked. Each step of the solution needs to be highlighted. Conclusion should be given.

PRESCRIBED TEXT BOOKS :

1. Accountancy for Class - XI
By: D.K. Goel, Rajesh Goel and Shelly Goel
Published by: Arya Publications, New Delhi.
2. Double Entry Book Keeping for Class XI
By: T.S. Grewal
Published by: Sultan Chand and Sons, New Delhi.

REFERENCE BOOKS :

1. Companion Accountancy for Class XI
By : O.P. Gupta, S.R. Goel and S.K. Jain
Published by : S. Dinesh & Co.
2. Accountancy for Class XI
By : R.K. Mittal and A.K. Jain
Published by : V.K. (India) Enterprises.

DESIGN
QUESTION PAPER/UNIT TEST
Subject : ACCOUNTANCY
Class : XI
Time : 3 hours
Full Marks : 100

ACCOUNTANCY
CLASS XII

I.	Weightage to Objectives :						
	Objectives	K	U	A	Total		
	Percentage of Marks	30	50	20	100		
	Marks	30	50	20	100		
II.	Weightage to Form of Questions:						
	Forms of Questions	E	SA-I	SA-II	VSA	O	Total
	Mark for each question	10	4	2	1	1	
	No. of Questions	4	8	9	5	5	31
	Marks Allotted	40	32	18	5	5	100
	Estimated Time in Minutes	85	55	30	5	5	180
III.	Weightage to Content :						
	Units	Contents					Marks
	FINANCIAL ACCOUNTING-I						
	1	Introduction to Accounting.					6
	2	Theory Base of Accounting					6
	3	Recording of Business and preparation of Trial Balance					10
	4	Depreciation, Provisions and Reserves					10
	5	Accounting for Bills of Exchange					10
	6	Rectification of Errors					8
	FINANCIAL ACCOUNTING-II						
	7	Financial Statements of Business Organisations					20
	8	Financial Statements of Not for Profit Organisation					10
	9	Accounting from Incomplete Records					10
	10.	Computers in Accounting					10
	11	Project Work (to be conducted by the institution)					
Total :						100	
IV.	Scheme of Sections : Nil						
V.	Scheme of Options : Internal option may be given in Essay Type Questions.						
VI.	Difficulty Level :						
	Difficult		: 15%				
	Average		: 50%				
	Easy		: 35%				

Abbreviation : K (Knowledge), U (Understanding), A (Application), E (Essay Type), SA (Short Answer Type), VSA (Very Short Answer Type), O (Objective Type)

One Paper	3 Hours	100 Marks	180 Periods
Unit	Unitwise Weightage		Periods
PART - A			
1	Introduction to Partnership		14
2	Reconstitution of Partnership		34
3	Accounting for shares		34
4	Accounting for Debentures		18
PART - B			
5	Analysis of Financial Statements		14
6	Ratio Analysis		34
7	Cash Flow Statement		22
8	Project Report/Work (To be conducted by the institution)		10
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PART - A

Unit-1: Introduction to Partnership

- (a) Meaning - Partnership, Partners, Firm, Partnership Deed.
- (b) Provision of the Indian Partnership Act 1932, affecting accounts in the absence of Partnership Deed.
- (c) Fixed v/s Fluctuating Capital Account, Division of profit among partners, Guarantee of profits, past adjustments (Relating to interest on Capital, interest on drawing, Salary and profit sharing ratios), Preparation of Profit and Loss Appropriation Account.
- (d) Goodwill - Nature, Factors affecting and Methods of Valuation - Average profit, Super profit and Capitalisation.

Unit-2: Reconstitution of Partnership

- (a) Change in the Profit Sharing Ratio among the existing Partners - Sacrificing Ratio, Gaining Ratio, Accounting for Revaluation of Assets and Liabilities, Distribution of Reserves and Accumulated profits.
- (b) Admission of a Partner - Effect of admission of a partner on : Change in the Profit Sharing Ratio, treatment of Goodwill, treatment for Revaluation of Assets and liabilities, Treatment of Reserves and Accumulated profits, Adjustment of Capital Accounts and Preparation of new Balance Sheet.

- (i) Retirement and Death of a partner – Effect of Retirement/Death of a partner, Change in profit Sharing Ratios, treatment of Goodwill, treatment for Revaluation of Assets and Liabilities, Adjustment of Accumulated Profit and Reserves. Calculation of deceased partner's share of profit till the date of death, preparation of Deceased partner's Executor's Account and preparation of new Balance Sheet.
- (ii) Dissolution of Partnership Firm – Meaning and Types of Dissolution of firm. Settlement of accounts – preparation of Realisation Account and related accounts (excluding piecemeal distribution, sale to a Company and insolvency of partners, firm).

Unit-3: Accounting for Shares

- (i) Share and Share Capital – Meaning, Nature and Types.
- (ii) 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 premium, Calls in advance and arrears. Issue of shares for consideration other than cash.
- (iii) Accounting treatment of forfeiture and re-issue.
- (iv) Disclosure of Share Capital in Company's Balance Sheet (Horizontal form).

Unit-4: Accounting for Debentures

- (i) Debentures – Meaning, Issue of debentures at par and at premium. Issue of debentures for consideration other than cash, Debentures as Collateral Security. Interest on Debentures (Easy problems).

PART – B**Unit-5: Analysis of Financial Statements.**

- (i) Financial Statement of a Company – Balance Sheet of a company in the prescribed Horizontal Form with major headings and sub heading (As per Schedule VI of the Companies Act 1956).
- (ii) Financial Statement Analysis – Meaning, Objectives and Limitations.
- (iii) Tools for Financial Statement Analysis – Comparative Statements, Common Size Statements, Cash flow Analysis, Ratio Analysis.

Unit-6: Ratio Analysis

- (i) Accounting Ratios – Meaning, Objectives and Classification of Ratios.
- (ii) Liquidity Ratios – Current Ratio and Quick Ratio.
- (iii) Solvency Ratios – Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio, Interest Coverage Ratio.

- (i) Activity Ratios – Stock Turnover Ratio, Debtors Turnover Ratio, Creditors Turnover Ratio, Working Capital Turnover Ratio.
- (ii) Profitability Ratios – Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, No Profit Ratio.

Unit-7: Cash Flow Statement

- (i) Meaning, Objective and Preparation (As per AS 3, without adjustment) Indirect Method.

Unit-8: Project Work (List of Project Work)

- (i) Comprehensive problem – From the given set of transactions preparation of vouchers, books of account, trial balance and financial statements of a proprietorship firm of a partnership firm.
- (ii) Analysis – Analysis of given data using – analytical tools such as ratio analysis and cash flow.

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PRESCRIBED TEXT BOOKS :

1. Accountancy (Part – A) for Class XII
By: D.K. Goel, Rajesh Goel and Shelly Goel
Published by: Arya Publications.
2. Analysis of Financial Statement (Part – B) for Class XII
By: D.K. Goel, Rajesh Goel and Shelly Goel
Published by: Arya Publications.
3. Double Entry Book Keeping for Class XII (Part I & II)
By: T.S. Grewal.
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	PART – B							
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	7	Cash Flow Statement					12	
	8	Project Work (To be conducted by the institution)					10	
	Total :						100	
IV.	Scheme of Sections : Nil							
V.	Scheme of Options : Internal option may be given in Essay Type Questions.							
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	Average		:		50%			
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