

## SYLLABUS (2025-2026)

**CLASS: XII**

**SUBJECT: ACCOUNTANCY**

**TEXTBOOKS:**

**1. NCERT-Accountancy: Book I- Partnership Accounts  
( E-Book)      Book II- Company Accounts & analysis of financial Statements**

**2. T.S GREWAL: Book I- Accounting for Partnership Firms  
Book II- Accounting for Companies  
Book III- Analysis of Financial Statements**

EXAMINATION	UNIT/ CHAPTER/ TOPIC	SUB TOPICS	WEIGHTAGE
HALF YEARLY	Analysis of Financial Statements	<p><b>Financial statements of a Company</b></p> <ul style="list-style-type: none"> <li>• Meaning, Nature, Uses and importance of financial Statement</li> <li>• 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</li> </ul> <p><b>Financial Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Meaning, Significance Objectives, importance and limitations.</li> </ul> <p><b>Tools for Financial Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Comparative statements, common size statements, Ratio analysis, Cash flow analysis.</li> </ul> <p><b>Accounting Ratios</b></p> <ul style="list-style-type: none"> <li>• Meaning, Objectives, Advantages, classification and computation.</li> <li>• Liquidity Ratios: Current ratio and Quick ratio.</li> <li>• Solvency Ratios: Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio and Interest Coverage Ratio. Debt to Capital Employed Ratio.</li> <li>• 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</li> </ul>	<b>12</b>

		<ul style="list-style-type: none"> <li>Profitability Ratios: Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.</li> </ul>	
	Cash Flow Statement	<ul style="list-style-type: none"> <li><b>Meaning, objectives, Benefits, Cash and Cash Equivalents, Classification of Activities and preparation</b> (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.</li> </ul>	8
	Accounting for Partnership Firms	<ul style="list-style-type: none"> <li><b>Partnership:</b> features, Partnership Deed.</li> <li><b>Provisions of the Indian Partnership Act 1932</b> in the absence of partnership deed.</li> <li><b>Fixed v/s fluctuating capital accounts.</b></li> <li><b>Preparation of Profit and Loss Appropriation account-</b> division of profit among partners, guarantee of profits.</li> <li><b>Past adjustments</b> (relating to interest on capital, interest on drawing, salary and profit sharing ratio).</li> <li><b>Goodwill:</b> meaning, factors affecting, need for valuation, methods for calculation (average profits, super profits and capitalization), adjusted through partners capital/ current account.</li> </ul>	20
	Accounting for Partnership firms - Reconstitution and Dissolution.	<ul style="list-style-type: none"> <li><b>Change in the Profit Sharing Ratio</b> 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.</li> <li><b>Admission of a partner</b> - 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</li> </ul>	

		<p>accounts and preparation of capital, current account and balance sheet.</p> <ul style="list-style-type: none"> <li>• <b>Retirement and death of a partner:</b> 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.</li> <li>• Calculation of deceased partner's share of profit till the date of death. Preparation of deceased partner's capital account and his executor's account</li> <li>• <b>Dissolution of a partnership firm:</b> 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))</li> </ul>	<b>40</b>
<b>TOTAL</b>			<b>80</b>

<p><b>COMMON PRE BOARD</b></p>	<p><b>Accounting for Partnership Firms</b></p>	<ul style="list-style-type: none"> <li>• <b>Partnership:</b> features, Partnership Deed.</li> <li>• <b>Provisions of the Indian Partnership Act 1932</b> in the absence of partnership deed.</li> <li>• <b>Fixed v/s fluctuating capital accounts.</b></li> <li>• <b>Preparation of Profit and Loss Appropriation account-</b> division of profit among partners, guarantee of profits.</li> <li>• <b>Past adjustments</b> (relating to interest on capital, interest on drawing, salary and profit sharing ratio).</li> <li>• <b>Goodwill:</b> meaning, factors affecting, need for valuation, methods for calculation (average profits, super profits and capitalization), adjusted through partners capital/ current account</li> </ul>	<p><b>36</b></p>
	<p><b>Accounting for Partnership firms - Reconstitution and Dissolution</b></p>	<ul style="list-style-type: none"> <li>• <b>Change in the Profit Sharing Ratio</b> 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.</li> <li>• <b>Admission of a partner</b> - 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.</li> <li>• <b>Retirement and death of a partner:</b> 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.</li> <li>• Calculation of deceased partner's share of profit till the date of death.</li> </ul>	

		<p>Preparation of deceased partner's capital account and his executor's account</p> <ul style="list-style-type: none"><li>• <b>Dissolution of a partnership firm:</b> 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))</li></ul>	
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	<b>Accounting for Companies</b>	<ul style="list-style-type: none"> <li>• <b>Features and types of companies.</b></li> <li>• <b>Share and share capital:</b> nature and types.</li> <li>• <b>Accounting for share capital:</b> 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.</li> <li>• <b>Concept of Private Placement and Employee Stock Option Plan (ESOP), Sweat Equity.</b></li> <li>• <b>Accounting treatment of forfeiture and reissue of shares.</b></li> <li>• <b>Disclosure of share capital in the Balance Sheet of a company.</b></li> </ul> <p><b>Accounting for Debentures</b>          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 (concept of TDS is excluded). 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)</p>	<b>24</b>
	<b>Analysis of Financial Statements</b>	<p><b>Financial statements of a Company</b></p> <ul style="list-style-type: none"> <li>• Meaning, Nature, Uses and importance of financial Statement</li> <li>• 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</li> </ul> <p><b>Financial Statement Analysis</b></p> <ul style="list-style-type: none"> <li>• Meaning, Significance Objectives, importance and limitations.</li> </ul> <p><b>Tools for Financial Statement Analysis</b>          Comparative statements, common size statements, Ratio analysis, Cash flow analysis.</p> <p><b>Accounting Ratios</b></p> <ul style="list-style-type: none"> <li>• Meaning, Objectives, Advantages, classification and computation.</li> </ul>	<b>12</b>

		<ul style="list-style-type: none"> <li>• Liquidity Ratios: Current ratio and Quick ratio.</li> <li>• Solvency Ratios: Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio and Interest Coverage Ratio. Debt to Capital Employed Ratio.</li> <li>• 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</li> </ul> <p>Profitability Ratios: Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment</p>	
	<b>CASH FLOW STATEMENT</b>	<ul style="list-style-type: none"> <li>• <b>Meaning, objectives, Benefits, Cash and Cash Equivalents, Classification of Activities and preparation</b> (as per AS 3 (Revised) (Indirect Method only)</li> </ul> <p>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</p>	<b>8</b>
<b>TOTAL</b>			<b>80</b>

### Project Work

One specific project based on financial statement analysis of a company covering any two aspects from the following:

1. Comparative and common size financial statements
2. Accounting Ratios
3. Segment Reports
4. Cash Flow Statements