



Revised
as Per
Companies
Act, 2013

Golden

ACCOUNTANCY

Part A + Part B
(Including Project Work)

Features:

- Typology of Questions
- List of Relevant Sections of Companies Act, 2013
- Evaluation Questions
 - Value Based Questions (Case Study)
 - Advance Level Questions
- CBSE 2015 Sample Paper and Model Papers (Solved)
- One Day Revision Capsule



- ★ Based on CBSE Circular 43 and 17
- ★ 2015-16 CBSE Board Paper (with Solutions)

CLASS XII

Golden

**ACCOUNTANCY
CLASS XII**

Golden
ACCOUNTANCY

CLASS XII

Strictly according to new syllabus prescribed by
Central Board of Secondary Education (CBSE)
and
State Boards of Chhattisgarh, Haryana, Bihar, Jharkhand,
Kerala, Mizoram, Meghalaya, Punjab, Uttarakhand and
other States following NCERT curriculum

By

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Golden ACCOUNTANCY—XII

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PREFACE TO THE REVISED EDITION

Golden Accountancy has been thoroughly revised as per the latest C.B.S.E. syllabus and guidelines issued on the subject. The book is based on functional approach and covers all the important aspects and issues which serves as a foundation for the Class 12 students to build conceptual clarity and understanding of the topic. This book helps them to score high in Class 12th Board and other related Professional Examinations (CA-CPT, CMA, CS etc.).

Salient Features of the Book:

- *The book has been revised in accordance with the provisions of the Companies Act, 2013 and S.E.B.I Circular.*
- C.B.S.E Circular No. Acad. 43 and Circular No. Acad 17 incorporated in the book.
- *List of Important Sections of Companies Act, 2013, incorporated in the beginning of the book.*
- *Summary; Learning Objectives; Frequently Asked Questions (FAQ's) and Theoretical Questions are arranged in chronological order for student to grip on theoretical concepts of the topics.*
- *Viva Voce Questions; Relevant Accounting Standards and Guidance Notes have been discussed wherever it is required to make the students aware of the regulatory framework affecting the accounting process.*
- *Conceptual Questions; N.C.E.R.T Questions, Previous Year Board's Questions and Practice Questions are arranged in chronological order to help the students for better understanding.*
- *Evaluation, Value Based Questions (on Case Studies) and Advance Learning Questions; Multiple Choice Questions (M.C.Q's) for student appearing for professional studies.*
- *C.B.S.E. Sample Paper and 2 Model Test Paper; One Day Revision Capsule and Glossary provided at the end of the book.*
- *C.B.S.E. 2015-16 Accountancy Paper (Solved) provided at the end.*

The revised edition of Golden Accountancy incorporate the typology as per C.B.S.E. Guidelines:

- **Remembering** '®' questions based on knowledge, specific facts and basic concepts.
- **Understanding** 'Ⓢ' questions based on concepts and related explained information.
- **Application** 'Ⓐ' questions based on application of knowledge and situational based interpretation.
- **High Order Thinking Skills (HOTS)** 'Ⓢ' questions based on missing figures and concept integration.

(Evaluation and Advance Learning Questions and MCQ's also from part of book)

Must Revise Questions List I '★', questions should be reviewed at-least twice by the students as these cover all concepts of the relevant topic.

Must Revise Questions List II '★', questions must be thoroughly revised at-least *thrice* by the students before attempting final examination.

Although, I have taken care and laid down all efforts to remove errors, any discrepancy which might have crept in, yet criticism or suggestions are always solicited. Thanking you, in anticipation for your cooperation and I would also like to seek the valuable suggestions from faculty members so that the book could be improved further.

Outstanding people have one thing in common; an absolute sense of mission.

Wishing for your success.....and stay connected with us.

—AUTHOR

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—AUTHOR

SYLLABUS

ACCOUNTANCY—CLASS XII

One Paper

Time : 3 hours

80 Marks

Units		Periods	Marks
Part A	Accounting for Partnership Firms and Companies		
	Unit 1. Accounting for Partnership Firms	90	35
	Unit 2. Accounting for Companies	60	25
		150	60
Part B	Financial Statement Analysis		
	Unit 3. Analysis of Financial Statements	30	12
	Unit 4. Cash Flow Statement	20	8
		50	20
Part C	Project Work	40	20
	Project work will include:		
	Project File	4 Marks	
	Written Test	12 Marks (One Hour)	
	Viva Voce:	4 Marks	
	OR		
Part B	Computerized Accounting		
	Unit 3. Computerized Accounting	60	20
Part C	Practical Work	26	20
	Project work will include:		
	Practical File	4 Marks	
	Practical Examination	12 Marks (One Hour)	
	Viva Voce	4 Marks	

Part A: Accounting for Partnership Firms and Companies 60 Marks 150 Periods

Unit 1: Accounting for Partnership Firms

- 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 & 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.

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

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 and accumulated profits. 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 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 (as per AS 26), treatment for revaluation of assets and reassessment of liabilities, adjustment of accumulated profits and reserves, adjustment of capital accounts and preparation of 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 deceased partners capital account, executors account and preparation of balance sheet.

- **Dissolution of a 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) The realized value of each asset must be given at the time of dissolution.

(ii) In case, the realization expenses are borne by a partner, clear indication should be given regarding the payment thereof.

Unit 2: Accounting for Companies

60 Periods

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, Employee Stock Option Plan (ESOP). 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.
- Accounting treatment of forfeiture and re-issue of shares.
- Disclosure of share capital in companys Balance Sheet.

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.
- Redemption of debentures: Lump sum, draw of lots and purchase in the open market (excluding ex-interest and cum-interest). Creation of Debenture Redemption Reserve.
Note: *Related sections of the Indian Companies Act, 2013 will apply.*

Part B: Financial Statement Analysis

20 Marks

Unit 3: Analysis of Financial Statements

30 Periods

- **Financial statements of a company:**

Statement of Profit and Loss and Balance Sheet in the prescribed form with major headings and sub headings (as per Schedule III to the Companies Act, 2013).

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

- **Financial Statement Analysis:** Objectives, importance and limitations.

- **Tools for Financial Statement Analysis:**

Comparative statements, common size statements, cash flow analysis, ratio analysis.

- **Accounting Ratios:** 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 4: Cash Flow Statement

20 Periods

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

Scope:

(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.

Project Work

20 Marks 40 Periods

Note: Kindly refer to the Guidelines published by the CBSE.

OR

Part B: Computerised Accounting

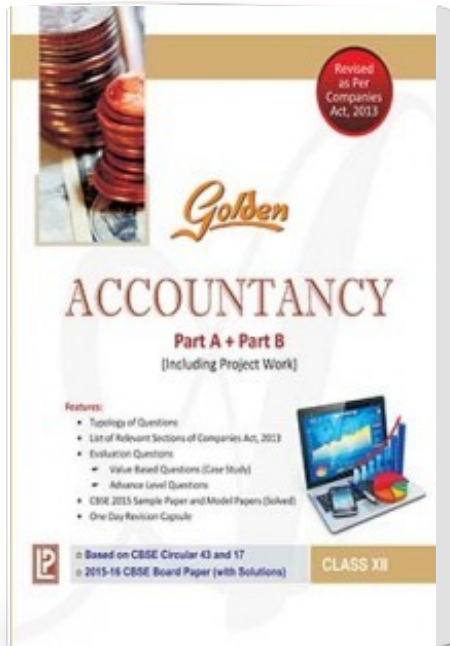
20 Marks 60 Periods

Unit 3: Computerised Accounting

Overview of Computerised Accounting System

- Introduction: Application in Accounting.
- Features of Computerised Accounting System.

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