

## **ACCOUNTANCY**

### **SYLLABUS FOR HIGHER SECONDARY FIRST YEAR COURSE**

#### **Rationale:**

The course in 'Accountancy' is introduced at +2 stage of Senior Secondary education, as formal commerce education is provided after first ten years of schooling.

With the fast changing economic scenario and business environment in a state of continuous flux, elementary business education along with accountancy as the language of business and as a source of financial information has carved out a place for itself at the Senior Secondary stage. Its syllabus content should give students a firm foundation in basic accounting principles and methodology and also acquaint them with the changes taking place in the presentation and analysis of accounting information, keeping in view the development of accounting standards and use of computers.

Against this background, the course puts emphasis on developing basic understanding about the nature and purpose of the accounting information and its use in the conduct of business operations. This would help to develop among students logical reasoning, careful analysis and considered Judgement.

Accounting as an information system aids in providing financial information. The emphasis at Class XI is placed on basic concepts and the process of accounting leading to the preparation of accounts for a sole proprietorship firm. Computerised accounting is becoming more and more popular with increased awareness about use of computers in business. Keeping this in view, the students are exposed compulsorily to the basic knowledge about computers and its use in accounting in the same year.

In Class XII, Accounting for Not-for-Profit Organisations and Partnership Firms are to be taught as a compulsory part. Students will also be given an opportunity to understand further about Computerised Accounting System, as an optional course to Company Accounts and Analysis of Financial Statements.

#### **Objectives :**

- ❖ To familiarise the students with accounting as an information system;
- ❖ To acquaint the students with basic concepts of accounting and accounting standards;
- ❖ To develop the skills or using accounting equation in processing business transactions;
- ❖ To develop an understanding about recording of business transactions and preparation of financial statements;
- ❖ To enable the students with accounting for reconstitution of partnership firms;
- ❖ To enable the students to understand and analyse the financial statements: and
- ❖ To familiarise students with the fundamentals of computerised system of accounting,

#### **Course Structure :**

Accountancy syllabus has been divided into four-semester course at the higher secondary stage. Each semester would be for about six months duration.

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**One Paper**

**Time : Three hours**

**Marks : 100**

**Unitwise Distribution of Marks & Periods :**

Unit	Topics	Marks	Periods
<b>PART-A : FINANCIAL ACCOUNTING-I (60 Marks)</b>			
Unit-1 :	Introduction to Accounting	06	10
Unit-2 :	Theory Base of Accounting	06	10
Unit-3 :	Recording of Business Transactions	20	40
Unit-4 :	Trial Balance and Rectification of Errors	08	20
Unit-5 :	Depreciation, Provision and Reserves	10	20
Unit-6 :	Accounting for Bills of Exchange Transactions	10	20
<b>PART-B : FINANCIAL ACCOUNTING-II (40 Marks)</b>			
Unit-7 :	Financial statements	18	25
Unit-8 :	Accounts from incomplete records	12	15
Unit-9 :	Computers in Accounting	06	10
Unit-10 :	Accounting and Database System	04	10
<b>Total :</b>		<b>100</b>	<b>180</b>

**Part-I : Financial Accounting-I**

**Part-II : Financial Accounting-II**

**Unitwise Distribution of Course contents:**

**Part-I : FINANCIAL ACCOUNTING-I**

**Unit-1 : Introduction to Accounting**

**Marks : 06**

- ❖ Accounting– Meaning, Objectives, Accounting as source of information, Internal and External users of accounting information and their needs.
- ❖ Qualitative Characteristics of Accounting Information– Reliability, Relevance, Understand ability and Comparability.
- ❖ Basic Accounting Terms– Asset, Liability, Capital, Expense, Income, Expenditure, Revenue, Debtors, Creditors, Goods, Cost, Gain, Stock, Purchase, Sales, Loss, Profit, Voucher, Discount, Transaction, Drawings.

**Unit-2 : Theory Base of Accounting**

**Marks : 06**

- ❖ Accounting Principles– Meaning and Nature.
- ❖ Accounting Concepts : Entity, Money Measurement, Going Concern, Accounting Period, Cost Concept, Dual Aspect, Revenue Recognition (Realisation), Matching, Accrual, Full Disclosure,

Consistency, Conservatism, Materiality.

- ❖ Accounting Standards– Concept and List of Indian Accounting Standards.
- ❖ Accounting Mechanism– Single Entry and Double Entry.
- ❖ Bases of Accounting– Cash Basis, Accrual Basis.

### **Unit-3 : Recording of Business Transaction**

**Marks : 20**

- ❖ *Voucher and Transaction* : Origin of Transactions– Source documents and Vouchers, Preparation of vouchers; Accounting equation approach– Meaning and Analysis of transactions using accounting equation; Rules of debit and credit.
- ❖ *Recording of Transaction* : Books of original entry– Journal, Special purpose books : (i) Cash book- Simple, Cashbook with bank column and Petty cashbook, (ii) Purchases book, Sales book, Purchases returns book, Sale returns book; Ledger : Meaning, Utility, Format; Posting from journal and subsidiary books; Balancing of accounts .
- ❖ *Bank Reconciliation Statement* : Meaning, Need and Preparation, Correct cash balance.

### **Unit-4: Trial Balance and Rectification of Errors**

**Marks : 08**

- ❖ Trial Balance : Meaning, Objectives and Preparation.
- ❖ Errors : Types of Errors; Errors affecting trial balance; Errors not affecting trial balance.
- ❖ Detection and Rectification of Errors (one sided and two sided); uses of suspense account.

### **Unit-5: Depreciation, Provisions and Reserves**

**Marks : 10**

- ❖ *Depreciation* : Meaning and Need for charging depreciation, Factors affecting depreciation, Methods of depreciation– Straight line method, Written down value method (excluding change in method), Method of recording depreciation– charging to asset account, creating provision for depreciation/ accumulated depreciation account; Treatment of disposal of an asset
- ❖ *Provision and Reserve* : Meaning, Importance, Difference between provisions and reserves, Types of reserves : Revenue reserve, Capital reserve, General reserve. Specific reserve and Secret reserve.

### **Unit-6 : Accounting for Bills of Exchange Transactions**

**Marks : 10**

- ❖ Bills of exchange and Promissory note : Definition, Features, Parties, Specimen and Distinction.
- ❖ Important Terms : Term of Bill, Concept of Accommodation Bill, Days of grace, Date of maturity, Bill after date, Negotiation, Endorsement, Discounting of bill, Dishonour, Retirement and Renewal of a bill.
- ❖ Accounting treatment of bill transactions,

## **Part-II Financial Accounting-II**

### **Unit-7 : Financial Statements**

**Marks : 18**

- ❖ Financial Statements : Meaning and Users,
- ❖ Distinction between capital expenditure and revenue expenditure.
- ❖ Trading and Profit and Loss Account : Gross profit, Operating profit, Net profit .
- ❖ Balance Sheet ; Need., Grouping, Marshalling of assets and Liabilities, Vertical presentation of financial statement.
- ❖ 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, Managers' commission.
- ❖ Preparation of trading and profit and loss account and balance sheet of sole proprietorship.

**Unit-8: Accounts from Incomplete Records**

**Marks : 12**

- ❖ Incomplete Records : Meaning, Uses and Limitations.
- ❖ Ascertainment of profit/loss by Statement of Affairs method .
- ❖ Preparation of trading and profit and loss account and balance sheet
- ❖ Ascertaining missing figures in Total debtors account, Total creditors account, Bill receivables, Bills payables and Cash book and Opening statement of affairs.

**Unit-9: Computers in Accounting**

**Marks : 06**

- ❖ Introduction to Computer and Accounting Information System (AIS).
- ❖ Applications of computers in accounting :  
Automation of accounting process, designing accounting reports, MIS reporting, data exchange with other information systems .
- ❖ Comparison of accounting processes in manual and computerised accounting, highlighting advantages and limitations of automation.
- ❖ Sourcing of accounting system : Readymade and customised and tailor-made accounting system. Advantages and disadvantages of each option.

**Unit-10: Accounting and Database System**

**Marks : 04**

- ❖ Accounting and Database Management System.
- ❖ Concept of Entity and Relationship : Entities and relationships in an Accounting System : Designing and Creating Simple Tables. Forms, Queries and Reports in the context of accounting system.

Prescribed Textbook :

1. Accountancy, Part I, Published by NCERT.
2. Accountancy, Part II, Published by NCERT.
- ১। হিচাপ শাস্ত্র, প্রথম খণ্ড, Published by AHSEC.
- ২। হিচাপ শাস্ত্র, দ্বিতীয় খণ্ড, Published by AHSEC.

