

CLASS- XI
SUBJECT- ACCOUNTANCY

Month-wise Syllabus

JULY

Unit-1: Theoretical Frame Work

Introduction to Accounting:

- Accounting- concept, objectives, advantages and limitations, types of accounting information; users of accounting information and their needs. Qualitative Characteristics of Accounting Information. Role of Accounting in Business.
- Basic Accounting Terms- Business Transaction, Capital, Drawings. Liabilities (Non Current and Current). Assets (Non Current, Current); Fixed assets (Tangible and Intangible), Expenditure (Capital and Revenue), Expense, Income, Profit, Gain, Loss, Purchase, Sales, Goods, Stock, Debtor, Creditor, Voucher, Discount (Trade discount and Cash Discount)

Theory Base of Accounting -

- Fundamental accounting assumptions: GAAP: Concept
- Business Entity, Money Measurement, Going Concern, Accounting Period, Cost Concept, Dual Aspect, Revenue Recognition, Matching, Full Disclosure, Consistency, Conservatism, Materiality and Objectivity
- System of Accounting. Basis of Accounting: cash basis and accrual basis
- Accounting Standards: Need, benefits, limitations, applicability; IFRS- Need

Accounting Equation Approach- Meaning and practical problems

AUGUST

Unit-2: Accounting Process

Recording of Business Transactions:

- Accounting Equation Approach: Meaning and Analysis, Rules of Debit and Credit.
- Goods and Services Tax (GST): Characteristics and Objective.
- Voucher and Transactions: Source documents and Vouchers, Preparation of Vouchers.
- Recording of Transactions: Books of Original Entry- Journal Book

SEPTEMBER

Unit-2: Accounting Process

Recording of Business Transactions:

- Ledger: Format, Posting from journal and subsidiary books, Balancing of accounts
 - Recording of Transactions: Special Purpose books: Cash Book: Simple, cash book with bank column and petty cashbook, Purchases book, Sales book, Purchases return book, Sales return book
- Note: Including simple GST calculations.

OCTOBER

- Bank Reconciliation Statement: Need and preparation, Bank Reconciliation Statement with Adjusted Cash Book
- Trial balance: objectives and preparation (Scope: Trial balance with balance method only)

NOVEMBER

Depreciation, Provisions and Reserves.

- Depreciation: Concept, Features, Causes, factors
- Other similar terms: Depletion and Amortisation
- Methods of Depreciation: (i) Straight Line Method (SLM) (ii) Written Down Value Method (WDV) Note: Excluding change of method □
- Difference between SLM and WDV; Advantages of SLM and WDV
- Accounting treatment of depreciation (i). Charging to asset account (ii). Creating provision for depreciation/accumulated depreciation account (iii). Treatment for disposal of asset
- **Provisions and Reserves:** Difference
- Types of Reserves: (i). Revenue reserve (ii). Capital reserve (iii). General reserve (iv). Specific reserve (v). Secret Reserve
- Difference between capital and revenue reserve

Accounting for Bills of Exchange.

- Bill of exchange and Promissory Note: Definition, Specimen, Features, Parties.
- Difference between Bill of Exchange and Promissory Note
- Terms in Bill of Exchange: (i). Term of Bill (ii). Accommodation bill (concept) (iii). Days of Grace (iv). Date of maturity (v). Discounting of bill (vi). Endorsement of bill (vii). Bill after due date (viii). Negotiation (ix). Bill sent for collection (x). Dishonour of bill (xi). Retirement of bill (xii). Renewal of bill
- Accounting Treatment (Note: excluding accounting treatment for accommodation bill)

DECEMBER

Rectification of Errors

- Errors: types-errors of omission, commission, principles, and compensating; their effect on Trial Balance.
- Detection and rectification of errors; preparation of suspense account.

Unit 3: Financial Statements of Sole Proprietorship: From Complete and Incomplete Records

Financial Statements Receipts and Expenditure: Revenue receipts and capital receipts. Capital expenditure, Revenue expenditure and deferred expenditure Objective and Importance. Trading and Profit and Loss Account: Gross Profit, Operating profit and net profit. Preparation. Balance Sheet: need, grouping and marshalling of assets and liabilities. Preparation. 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, Abnormal loss, Goods taken for personal use/staff welfare, interest on capital and managers commission. Preparation of Trading and Profit and Loss account and Balance Sheet of a sole proprietorship with adjustments.

JANUARY

Incomplete Records: Features, Reasons and Limitations. Ascertainment of profit/loss by statement of affairs method. Difference between Accounts from incomplete records and Statement of Affairs. Preparation of Trading , Profit and Loss account and Balance Sheet.

Unit 4: Computers in Accounting

Introduction to computer and accounting information system { AIS }: Introduction to computers (elements, capabilities, limitations of computer system) □ Introduction to operating software, utility software and application software. Introduction to accounting information system (AIS) as a part of Management Information System. □ Automation of accounting process: meaning □ Stages in automation: (a) Accounting process in a computerised environment; comparison between manual accounting process and computerised accounting process, (b) Sourcing of accounting software; kinds of software: readymade software; customised software and tailor-made software; generic considerations before sourcing accounting software (c) creation of account groups and hierarchy (d) generation of reports - trial balance, profit and loss account and balance sheet.

FEBRUARY

Revision