

CLASS-XI
ACCOUNTANCY-I
(COMMERCE AND HUMANITIES GROUP)

Time: 3 Hrs

Theory: 80Marks
Practical: 15Marks
Internal Assessment : 5 Marks
Total: 100Marks

SYLLABUS

Unit –1 Introduction to Accounting and theory base accounting

- i) 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.
- ii) Basic accounting terms: Business transaction, Capital, Drawings, Liabilities (Non Current and Current). Assets (Non Current and 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).
- iii) Theory Base of Accounting:
 - (a) Fundamental Accounting assumptions : GAAP: Concept,
 - (b) Business Entity : Money measurement, going concern, accounting period, Cost Concept, Dual Aspect, Revenue Recognition, Matching, Full disclosure, consistency, Conservatism, Materiality and objectivity.
 - (c) System of Accounting: Basis of Accounting: Cash Basis and accrual basis.
 - (d) Accounting Standards: Need, benefits limitations, applicability, IFRS – Need.
 - (e) Goods and Services Tax (GST): Characteristics and Objective.

Unit-2 Recording of Business Transactions:

- i) Voucher and Transactions: Origin of Transactions-Source Documents and Vouchers, Preparation of Voucher; Accounting Equation Approach-
Meaning and Analysis of Transaction using Accounting Equation;
Rules of Debit and Credit.
- ii) Recording of Transactions: Books of Original Entry-Journal, Special Purpose Books:

- (a) Cash Book-Simple, Cash book with Bank column and Petty Cash Book,
- (b) Purchase Book, Sales Book, Purchase Returns Book, Sales Return Book,

Note : Including simple GST calculations

- (c) Ledger - Meaning, Utility, Format; Posting from Journal and Subsidiary Books; Balancing of Accounts.

Unit-3 Trial Balance and Rectification of Errors

- i) Trial-Balance; Meaning, Objectives, Advantages and Methods of Preparation. (Trial balance with balance method only).
- ii) Errors: Types of Errors; Errors affecting Trial Balance; Errors not affecting Trial Balance.
- iii) Detection and Rectification of Errors (one sided and two sided) Use of Suspense Account.

Unit-4 Depreciation, Provisions and Reserves

- i) Depreciation: Concept, Features, Causes, Factors.
- ii) Other similar terms : Depletion and Amortisation.
- iii) Methods of Depreciation-Straight Line Method (SLM), Written Down Value Method (WDV), (excluding change of method). Difference between SLM and WDV, Advantages of SLM and WDV.
- iv) Accounting treatment of depreciation : Charging to asset account, Creating provision for depreciation/accumulated depreciation account, treatment of disposal of asset.
- v) Provisions and Reserves : Difference, types of Reserves : (a) Revenue Reserve (b) Capital Reserve (c) General Reserve, (d) Specific Reserve (e) Secret Reserve, Difference between Capital and Revenue Reserve.

Unit-5 Bank Reconciliation Statement

- i) Meaning, Need and Preparation, BRS with adjusted cash book.

Unit-6 Accounting for Bills of Exchange Transaction

- i) Bills of Exchange and Promissory Note: Definition, Feature, Parties, Specimen and Distinction.
- ii) Important Terms: Term of Bill, Days of Grace, Date of Maturity, Bill at Sight, Bill after Date, Negotiation, Endorsement, Discounting of Bill, Bill sent for collection. Dishonor, Retirement and Renewal of a Bill.
- iii) Accounting Treatment of Bill Transaction.

Note: Students may choose only one part from Part II and Part III.

PART -II

Unit-7 Financial Statements (without adjustments)

- i) Receipts and Expenditure: Revenue receipts and capital receipts. Capital expenditure, Revenue expenditure and deferred expenditure.
- ii) Objectives and importance.
- iii) Trading and profit and loss account : Gross profit, Operating profit and Net profit preparation.
- iv) Balance Sheet: Need, Grouping, Marshaling of Assets and Liabilities, Vertical Presentation of Financial Statement.

Unit-8 Financial Statements (with adjustments)

- i) 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, Interest on drawings and Managers Commission.
- ii) Preparation of Trading and Profit & Loss Account and Balance Sheet of Sole Proprietorship with adjustments.

Unit-9 Incomplete Records :

- i) Features, Reasons and Limitations.
- ii) Ascertainment of profit/loss by statement of affairs method.
- iii) Difference between accounts from incomplete records and statement of Affairs.
- iv) Preparation of trading, Profit and loss account and balance sheet.

PART-III

Unit-7 Computer in Accounting

- i) Introduction to Computer and Accounting Information System (AIS)
- ii) Introduction to computers (elements, capabilities, limitations of computer system).
- iii) Introduction to operating software, utility software and application software, Introduction to account information system (AIS) as a part of Management information system.

Unit -8 Automation of accounting process :

- i) Automation of Accounting Process: Meaning, Stages in automation :

- (a) Accounting process in a computerized environment, comparison between manual accounting process and computerized accounting process.
- (b) Sourcing of accounting software, kinds of software : Readymade software, customized 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.

Unit-9 Accounting and Database System:

- i) Accounting and Database Management System.
- ii) 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.

Practical work

Practical work is for those students who choose Part-II of the syllabus.

Time: 1½Hours

Max Marks 15

- 1. The syllabus of project work is same as prescribed for the theory paper i.e. Part I and Part II.
- 2. Project Note book will consist of at least one comprehensive project and some short answer questions based on the prescribed syllabus.
- 3. Division of Marks:

| | | |
|---|---|---------------|
| 1 | Practical Note Book | 3 Marks |
| 2 | Total five questions of 3 marks each will be set. The students are required to attempt any three | (3×3)=9 marks |
| 3 | Viva voce | 3 Marks |

Divison of Marks for Internal Assessment

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|---|--------------------------|--------|
| 1 | Book Bank | 2Marks |
| 2 | Average of Periodic Test | 3marks |

Practical Work

Practical work is for those students who choose Part-III of the syllabus.

Time: 1½Hours

Max Marks :15

- 1. The syllabus of practical work is same as prescribed for the theory paper of part-III.
- 2. Practical Note book will consist of the entire practical performed in the computer laboratory based on the prescribed syllabus.
- 3. Division of Marks:

| | | |
|---|---------------------|--------|
| 1 | Practical Note Book | 3Marks |
|---|---------------------|--------|

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|---|--|---------------|
| 2 | The students are required to perform any three practical out of the given Five of 3marks each. | (3×3)=9 marks |
| 3 | Viva Voce | 3 marks |

Divison of Marks for Internal Assessment

| | | |
|---|--------------------------|--------|
| 1 | Book Bank | 2Marks |
| 2 | Average of Periodic Test | 3marks |