



CUET

# Common University Entrance Test

**301 - Accountancy/Book-Keeping**

Syllabus

# CUET (UG)



## Unit I: Accounting for Partnership

- ❑ Nature of Partnership Firm: Partnership deed (meaning, importance).
- ❑ Accounts of Partnership: Fixed v/s Fluctuating capital, Division of profit among partners, Profit and Loss Appropriation account, guarantee of profit to a partner, past adjustments

## Unit II: Reconstitution of Partnership

- ❑ Changes in profit sharing ratio among the existing partners – Sacrificing ratio and Gaining ratio.
- ❑ Accounting for Revaluation of Assets and Liabilities and Distribution of reserves and accumulated profits.
- ❑ Goodwill: Nature, Factors affecting and Methods of valuation: Average profit, Super profit, Multiplier and Capitalisation methods.
- ❑ Admission of a Partner: Effect of admission of partner, Change in profit sharing ratio, accounting treatment for goodwill, Revaluation of assets and liabilities, Reserves (accumulated profits) and adjustment of capitals.
- ❑ Retirement/Death of a Partner: Change in profit sharing ratio, accounting treatment of goodwill, revaluation of assets and liabilities, Adjustment of accumulated profits (Reserves).

## Unit III: Dissolution of Partnership Firm

- ❑ Meaning, Settlement of accounts: Preparation of realisation account and related accounts (excluding piecemeal distribution, sale to a company and insolvency of a Partner)

## Unit IV: Company Accounts: Accounting for Share and Debenture

- ❑ Features and type of companies.
- ❑ Share Capital: Meaning, Nature and Types
- ❑ Accounting for Share Capital: Issue and Allotment of Equity and Preference Shares; Over subscription and Under subscription; Issue at par and premium; Calls in advance, Calls in arrears, Issue of shares for consideration other than cash.

- Accounting treatment of Forfeiture of Shares and Re-issue of forfeited shares.
- Presentation of shares capital and Debentures in company's balance sheet.
- Issue of Debenture – At par, premium and discount; Issue of debentures for consideration other than cash. Issue of debentures with terms of redemption, Debenture as collateral security – concept, Interest on debentures, writing off discount/Loss on issues of debenture

## Unit V: Analysis of Financial Statements

- Financial Statements of a Company: Preparation of simple financial statements of a company in the prescribed form with major headings only.
- Financial Analysis: Meaning, Significance and Purpose, Limitations.
- Tools for Financial Analysis: Comparative statements, Common size statements.
- Accounting Ratios: Meaning and Objectives and types: Liquidity Ratio, Solvency Ratio, Activity Ratio, Profitability Ratio
- Cash Flow Statement: Meaning and Objectives, Preparation, Adjustments related to depreciation, dividend and tax, sale, and purchase of non-current assets (as per revised standard issued by ICAI).

## Optional to Unit V

## Unit V: Computerised Accounting System

- Overview of Computerised Accounting System
- Concept and Types of Computerised Accounting System (CAS),
- Features of a Computerised Accounting System, Advantages, limitations
- Structure of a Computerised Accounting System: chart of accounts, Codification and Hierarchy of account heads.
- Accounting Applications of Electronic Spreadsheet
- Features offered by Electronic Spreadsheet. Applications of Electronic Spreadsheet in generating accounting information, preparing depreciation schedule, loan repayment schedule, payroll accounting.
- Graphs and Charts in electronic spreadsheet