

LAST-HOUR CRAM SHEET · Accountancy

CBSE Class 12 Accountancy (055) · Theory 80 +
Project 20 · Read this in the 60 minutes before you
walk in

A. The Paper at a Glance

Part	Unit	Marks	Chapters
A — Partnership Firms and Companies	1	36	Partnership: fundamentals, goodwill, change in ratio, admission, retirement/death, dissolution ← biggest block
	2	24	Companies: share capital, debentures
B — Financial Statement Analysis	3	12	Financial statements, ratios
	4	8	Cash flow statement
Project / Practical		20	Theory total = 80 marks , 3 hours

STRATEGY Unit 1 alone is 36 of 80. If

time is short, master partnership first — admission, retirement and dissolution between them are worth more than the whole of Part B.

SECTION STRUCTURE — from the official 2026-27 sample paper

Questions	Each	How many	Worth
1–16 and 27–30	1 mark	20	20
17–20, 31, 32	3 marks	6	18
21, 22, 33	4 marks	3	12
23–26, 34	6 marks	5	30

34 questions, $20 + 18 + 12 + 30 = 80$.

Part B is either/or — Analysis of Financial Statements or Computerised Accounting, never both.

The six-markers alone are 30 of 80. If you are short of time in the exam, secure those first.

Changed for 2026-27 — check this against any older guide: internal choice is now given in 2 three-mark, 2 four-mark and 2 six-mark questions. Last session it was 7 one-mark, 2 three-mark, 1 four-mark and 2 six-mark. There is no longer any choice on the 1-mark questions, and there is one more four-marker with a choice. The paper still prints “no change in the Question Paper Design” on page 1, so do not take that line as evidence.

B. Every Formula in One Place

PARTNERSHIP

Sacrificing Ratio = Old Share – New Share

Gaining Ratio = New Share – Old Share

Interest on Capital = Opening Capital × Rate × Period

Interest on Drawings = Total Drawings × Rate × (Avg months / 12)

Hidden Goodwill = (New Partner's Capital × Reciprocal of share) – Net Worth

Deceased partner's profit = Last year's profit × (Period / 12) × His share

GOODWILL

Average Profit Goodwill = Average Profit × Years' Purchase

Normal Profit = Capital Employed × Normal Rate ÷ 100

Super Profit = Average Profit – Normal Profit

Super Profit Goodwill = Super Profit × Years' Purchase

Capitalised Value = Average Profit × 100 ÷ Normal Rate

Capitalisation Goodwill = Capitalised Value – Capital Employed

Capitalisation of Super Profit = Super Profit × 100 ÷ Normal Rate

RATIOS — LIQUIDITY & SOLVENCY

Current Ratio = Current Assets ÷ Current Liabilities (2:1)

Quick Ratio = (CA – Inventory – Prepaid) ÷ CL (1:1)

Debt-Equity = Debt ÷ Shareholders' Funds (2:1)

Proprietary Ratio = Shareholders' Funds ÷ Total Assets

Total Assets to Debt = Total Assets ÷ Long-term Debt

Interest Coverage = Profit before Interest & Tax ÷ Interest

RATIOS — TURNOVER & PROFITABILITY

Inventory Turnover = Cost of Revenue ÷ Average Inventory

Trade Receivables Turnover = Net Credit Revenue ÷ Avg Trade Receivables

Trade Payables Turnover = Net Credit Purchases ÷ Avg Trade Payables

Working Capital Turnover = Revenue ÷ Working Capital

Gross Profit Ratio = GP ÷ Revenue × 100

Operating Ratio = (Cost of Revenue + Operating Exp) ÷ Revenue × 100

Operating Profit Ratio = 100 – Operating Ratio

ROI = Profit before Interest, Tax & Dividend ÷ Capital Employed × 100

Capital Employed = Shareholders' Funds + Non-Current Liabilities

C. Rules You Must Not Get Wrong

MEMORISE EXACTLY

- Interest on partner's **LOAN = CHARGE** (P&L A/c), 6% if silent. Interest on **CAPITAL = APPROPRIATION**.
- Deed silent → profits **EQUAL**, no interest on capital, no interest on drawings, no salary.
- **AS 26**: only **purchased** goodwill is recorded. Self-generated goodwill is **never** raised.
- Existing goodwill in the books → write off among **ALL** old partners in **OLD** ratio first.
- Premium for goodwill is credited in the **SACRIFICING** ratio; on retirement, debited in the **GAINING** ratio.
- Reserves and Revaluation profit/loss are **ALWAYS** shared in the **OLD** ratio.
- Dissolution: tangible asset value not given → **book value**. Intangible not given → **NIL**.
- Never transferred to Realisation A/c: **Cash/Bank**, fictitious assets, reserves, partners' own accounts, partner's loan.

- Payment order on dissolution: **Creditors** → **Partner's loan** → **Capital**.
- Forfeiture: Debit Capital by **CALLED-UP**, Credit Forfeiture by **RECEIVED**.
- Premium **not** received at forfeiture → **DEBIT Securities Premium**. Received → leave it alone.
- Max discount on reissue = **amount forfeited on those shares**. Surplus → **Capital Reserve**.
- Debenture interest is on **FACE** value, and is a **CHARGE**.
- Loss on issue of debentures → write off **in year of allotment**: Securities Premium first, then P&L (AS 16).
- Cash flow (non-financial co.):
Interest/Dividend RECEIVED = Investing; **Interest/Dividend PAID = Financing**.
- Common-size: B/S base = **Total Assets**; P&L base = **Revenue from Operations**.

D. Which Account? — the one-second decision

Situation

Account to open

Change in ratio / admission / retirement	Revaluation A/c — profit in old ratio
Firm is dissolved	Realisation A/c — all assets at book value
Assets to remain at old values	Memorandum Revaluation A/c
Retiring partner not paid at once	Retiring Partner's Loan A/c
Partner dies	Executor's A/c + P&L Suspense A/c
Deficiency guaranteed to a partner	Adjust through Capital A/cs , no new account

E. Master Question Triggers

wording → what to do

Question wording	Action	Ch
"deed is silent"	Apply Act defaults	1
"drew at the beginning of every month"	6.5 months	1
"drew at the end of every month"	5.5 months	1
"guaranteed minimum profit"	Distribute, then transfer deficiency	1
"profits show a rising trend"	Weighted average goodwill	2
"normal rate of return" given	Super profit method	2
"stock overvalued in 2023"	Less in 2023, add in 2024	2
"C admitted for 1/4", nothing else	Sacrifice in old ratio	4

Capital + share given, goodwill not given	Hidden goodwill	4
"could not bring his share of goodwill"	New partner's Capital Dr.	4
"A and B take C's share equally"	Gaining ratio 1:1	5
"died on 30 June"	P&L Suspense A/c	5
"A was allowed ₹5,000 for expenses"	Debit Realisation with 5,000 only	6
"unrecorded asset sold"	Bank Dr. → Realisation Cr.	6
"allotted in the ratio 3:2"	Pro-rata; excess to allotment	7
"premium had not been received"	Debit Securities Premium	7
"issued at discount, redeemable at premium"	Loss = discount + redemption premium	8
"under which head is X shown?"	Give head AND sub-head	9
"effect on current ratio?"	3-step; Increase/Decrease/No change	10
"depreciation charged"	Add back in operating	11
"profit on sale of machinery"	Less in operating; proceeds to investing	11

F. How to Write for Marks

Marks	What the examiner wants
1	One line. A formula, a term, or a yes/no with the reason.
3	Working note + the answer. Format matters less than the calculation.

4	Proper account format with Dr/Cr headings , plus WN1, WN2 below.
6	Full format, ruled columns, all working notes, and the closing balance check.
Always	Show the formula before substituting. Method marks are awarded for a visible calculation even when the final figure is wrong.

THE THREE CHECKS THAT SAVE QUESTIONS — 1. Past adjustment / single-entry table must net to **ZERO**. 2. On dissolution, **Cash/Bank A/c** must close at nil. 3. In a cash flow statement, **$A + B + C + \text{Opening Cash} = \text{Closing Cash}$** . Each takes ten seconds and each catches the error that would otherwise cost the whole answer.