

The following topics have been deleted as per syllabus released by ISC Council for 2021 Examination:

<i>Lesson</i>	<i>Topic</i>
1. Admission of a Partner	<p>Change in Profit-sharing Ratio.</p> <p>Change in <i>PSR</i> takes place at the time of admission of a partnership firm</p> <p>Accounting Treatment of Accumulated Profits and Losses through one Journal entry: (Adjustment of the incoming partner's share to be done through his Current Account—Similar to the treatment of goodwill not brought in cash.)</p> <p>Gaining Partners' Capital/Current A/cs ...Dr. To Sacrificing Partners' Capital/Current A/cs (in case of profits)</p> <p>Sacrificing Partners' Capital/Current A/cs ...Dr. To Gaining Partners' Capital/Current A/cs (in case of losses)</p> <p><i>General Reserve/Reserve Fund, Workmen Compensation Reserve/Fund, Investment Fluctuation Reserve/Fund, Contingency Reserve, Profit and Loss Account (Debit and Credit Balance) and Advertisement Suspense Account/ Deferred Revenue Expenditure.</i></p>
2. Retirement of a Partner	<p>(i) Adjustment with regard to share of profits of the retiring or deceased partner from the date of the last Balance Sheet to the date of retirement or death (on the basis of time or turnover).</p> <p><i>Through Profit and Loss Suspense Account (in case of no change in PSR of remaining partners).</i></p> <p><i>Through Gaining Partners' Capital/Current Accounts (in case of change in PSR of remaining partners).</i></p> <p>(ii) Preparation of retiring partner's loan account. <i>Self-explanatory.</i></p> <p>(iii) Change in Profit-sharing Ratio.</p> <p>Change in <i>PSR</i> takes place at the time of retirement/death of a partnership firm.</p> <p>Accounting treatment of accumulated profits and losses through one Journal entry:</p> <p>Gaining Partners' Capital/Current A/cs ...Dr. To Sacrificing Partners' Capital/Current A/cs (in case of profits)</p> <p>Sacrificing Partners' Capital/Current A/cs ...Dr. To Gaining Partners' Capital/Current A/cs (in case of losses)</p> <p><i>General Reserve/Reserve Fund, Workmen Compensation Reserve/Fund, Investment Fluctuation Reserve/Fund, Contingency Reserve, Profit and Loss Account (Debit and Credit Balance) and Advertisement Suspense Account/Deferred Revenue Expenditure.</i></p>
3. Death of a Partner	Complete Topic
4. Redemption of Debentures	Redemption of Debentures by purchase in the open market.

The following topics have been added as per syllabus released by ISC Council for 2021 Examination:

<i>Lesson</i>	<i>Topic</i>
1. Admission of a Partner	<p>(i) Preparation of Balance Sheet during admission of a partner to be done in Horizontal format.</p> <p>(ii) Memorandum revaluation account, Joint Life Policy, Individual life policy are excluded from the syllabus.</p> <p>(iii) Admission of a partner during an accounting year is excluded from the syllabus.</p>
2. Retirement of a Partner	Retirement of a partner during an accounting year is excluded from the syllabus.
3. Dissolution of a Partnership Firm	Preparation of Memorandum Balance Sheet is excluded for the Examination, Year 2021.
4. Cash Flow Statement (Only for Non-Financing Companies)	<p>(i) Cash Flow Statement (Only for Manufacturing Companies)</p> <p>(ii) <i>Excluded: Any transaction pertaining to Capital Reserve.</i></p>
5. Operating Ratio	<p>(i) Operating Ratio = $\frac{\text{Cost of Revenue from Operations} + \text{Operating Expenses} - \text{Operating Income}}{\text{Revenue from Operations}} \times 100$</p> <p>(ii) Operating Income = Commission received, cash discount received.</p> <p><i>Other Notes related to Accounting Ratios:</i></p> <p>(iii) 'Other Current Assets' is restricted to Prepaid Expenses and Accrued Income.</p> <p>(iv) Problems on effect of transactions on ratios to be restricted to Current Ratio, Quick Ratio and Debt-Equity Ratio.</p> <p>(v) Net Profit Ratio is to be calculated on 'Net Profit after Tax'.</p>