RKG INSTITUTE

B - 193, Sector - 52, Noida

CLASS 12 - ACCOUNTANCY

Change in PSR Test

Time Allowed: 1 hour **Maximum Marks: 40**

1. Shivani and Archana partners in a firm sharing profits and losses in the ratio of 3:1. With effect from 1st April 2020, they agreed to share profits in the ratio of 2:1. Due to the change in profit sharing ratio, Archana's gain or sacrifice will be: **[1]**

   a) Sacrifice $\frac{1}{12}$
   b) Gain $\frac{1}{36}$
   c) Gain $\frac{1}{12}$
   d) Sacrifice $\frac{1}{36}$

2. E, F and G are partners sharing profits in 7 : 6 : 5 ratio. Their fixed capitals are Rs, 70,000, Rs. 40,000 and Rs. 80,000 respectively. It is now decided that the total capital of the firm should be Rs. 3,60,000 and should be in the profit sharing ratio of the partners. Calculate the amount of capital to be contributed by the individual partners. **[1]**

   a) E will contribute Rs 20,000; F 80,000 and G Rs 70,000
   b) E will contribute Rs 80,000; F 70,000 and G Rs 20,000
   c) E will contribute Rs 70,000; F 20,000 and G Rs 80,000
   d) E will contribute Rs 70,000; F 80,000 and G Rs 20,000

3. X & Y are partners in a firm sharing P&L in the ratio 3:2. Z is admitted as partner with 1/4 share in profit. Z acquires his hsare from X & Y in the ratio 2:1. From the information given match the following **[2]**

Column A	Column B
(a) Sacrificing ratio of X & Y.	(i) 19/60.
(b) New share of X.	(ii) 26:19:15.
(c) New share of Y.	(iii) 2:1.
(d) New Ratio.	(iv) 26/60.

4. A, B, C & D are partners sharing profits in the ratio 4:3:2:1. They agreed to distribute future profits in the ratio 1:2:3:4. Match the following with appropriate option: **[2]**

Column A	Column B
(a) A.	(i) 1/10 Gain.
(b) B.	(ii) 3/10 Sacrifice.
(c) C.	(iii) 1/10 sacrifice.
(d) D.	(iv) 3/10 Gain.

5. A, B and C are partners sharing profits in 2:2:1 ratio admitted D for 1/8 share which he **[3]**

acquired entirely from A. Calculate new profit sharing ratio?

6. A, B and C shared profits and losses in the ratio of 3 : 2 :1 respectively. With effect from 1st April, 2019, they agreed to share profits equally. The goodwill of the firm was valued at Rs. 18,000. Pass necessary Journal entries when **[3]**

   a. Goodwill is adjusted through Partners's Capital Account; and
   b. Goodwill is raised and written off.

7. Riya, Siya and Piya were partners in a firm sharing profits in the ratio of 3: 1: 1 with effect from January 1, 2011 they decide to share future profits in the ratio 2: 1: 1. For this purpose, the goodwill of the firm was valued at Rs 10,000. General reserves and past accumulated profits appear in the books at Rs 4,000 and Rs 1,000 respectively. Partners are not in favour of distributing reserves and accumulated profits. You are required to record the change by passing a single journal entry. **[4]**

8. A, B and C are partners sharing profits and losses in the ratio of 5 :4 :1. Calculate new profit-sharing ratio, sacrificing ratio and gaining ratio in each of the following cases: **[4]**

   Case 1. C acquires 1/5th share from A.
   Case 2. C acquires 1 /5th share equally from A and B.
   Case 3. A, B and C will share future profits and losses equally.
   Case 4. C acquires 1/10th share of A and 1/2 share of B.

9. Ram, Mohan, Sohan and Hari were partners in a firm sharing profits in the ratio of 4 : 3 : 2 : 1. On 1st April, 2016, their Balance Sheet was as follows- **[6]**

Balance Sheet of Ram, Mohan, Sohan and Hari
as on 1st April, 2016

Liabilities		Rs.	Assets	Rs.
Capital A/cs:			Fixed Assets	9,00,000
Ram	4,00,000		Current Assets	5,20,000
Mohan	4,50,000			
Sohan	2,50,000			
Hari	2,00,000	13,00,000		
Workmen Compensation Reserve		1,20,000		
Total		**14,20,000**	**Total**	**14,20,000**

From the above date, the partners decided to share the future profits in the ratio of 1 : 2 : 3 : 4. For this purchase the goodwill of the firm was valued at Rs. 1,80,000. The partners also agreed for the following-

   a. The claim for workmen compensation has been estimated at Rs. 1,50,000.
   b. Adjust the capitals of the partners according to new profit-sharing ratio by opening Partners' Current Accounts.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the reconstituted firm.

10. Suresh, Ramesh, Mahesh and Ganesh were partners in a firm sharing profits in the ratio of 2 : **[6]**

2 : 3 : 3. On 1st April, 2016, their Balance Sheet was as follows:

Liabilities		₹	Assets	₹
Capital A/cs:			Fixed Assets	6,00,000
Suresh	1,00,000		Current Assets	3,45,000
Ramesh	1,50,000			
Mahesh	2,00,000			
Ganesh	2,50,000	7,00,000		
Sundry Creditors		1,70,000		
Workmen Compensation Reserve		75,000		
		9,45,000		9,45,000

From the above date, the partners decided to share future profits equally. For this purpose the goodwill of the firm was valued at ₹90,000. It was also agreed that:

a. Claim against Workmen Compensation Reserve will be estimated at ₹1,00,000 and fixed assets will be depreciated by 10%.
b. The Capitals of the partners will be adjusted according to the new profit-sharing ratio. For this, necessary cash will be brought or paid by the partners as the case may be.

Prepare Revaluation Account, Partners' Capital Accounts and the Balance Sheet of the reconstituted firm.

11. Piyush, Puja and Praveen are partners sharing profits and losses in the ratio of 3:3:2. There Balance Sheet as on March 31st 2015 was as follows : **[8]**

Liabilities	**(Rs.)**	**Assets**	**(Rs.)**
Sundry Creditors	48,000	Cash at bank	74,000
Bank Loan	72,000	Sundry Debtors	88,000
Capital:		Stock	2,40,000
Piyush 4,00,000		Machinery	3,18,000
Puja 3,00,000		Building	4,00,000
Praveen 3,00,000	10,00,000		
	11,20,000 =======		11,20,000 =======

Partners decided that with effect from April 1, 2015, they would share profits and losses in the ratio of 4:3:2. It was agreed that :

i. Stock be valued at Rs. 2,20,000.
ii. Machinery is to be depreciated by 10%
iii. A provision for doubtful debts is to be made on debtors at 5%.
iv. Building is to be appreciated by 20%

v. A liability for Rs. 5,000 included in sundry creditors is not likely to arise. Partners agreed that the revised value are to be recorded in the books. You are required to prepare journal, revaluation account, partner's capital Accounts and revised Balance Sheet.