CLASS XII

CHAPTER 4: ADMISSION OF A PARTNER

Calculation of New Profit Sharing Ratio

1. A and B are Partners sharing Profits and Losses in the ratio 3:1. C was admitted as a new Partner for 1/4th share. Calculate the new Profit sharing ratio.
2. A and B are Partners sharing Profits and Losses in the ratio 2:3. C was admitted as a new Partner for 1/5th share. Calculate the new Profit sharing ratio.
3. A, B and C are Partners sharing profits and losses in the ratio3:1:1. D is admitted as a new partner for 1/5th share and C retains his original share. Calculate the NPSR.
4. P, Q and R are Partners sharing profits and losses in the ratio 3:2:1. S is admitted as a new partner for 1/6th share and Q retains his original share. Calculate the NPSR.
5. A and B are Partners sharing Profits and Losses in the ratio 3:2. C was admitted as a new Partner for 1/4th share. A and B will share future profits in the ratio 2:1. Calculate the new Profit sharing ratio.
6. A and B are Partners sharing Profits and Losses in the ratio 5:3. C was admitted as a new Partner for 1/5th share. A and B will share future profits in the ratio 1:1. Calculate the new Profit sharing ratio.
7. A and B are Partners sharing Profits and Losses in the ratio 3:2. C was admitted for 3/7th share. which he acquires 2/7th from A and 1/7th from B. Calculate the new Profit sharing ratio.
8. M and N are Partners sharing Profits and Losses in the ratio 5:3. O was admitted for 1/5th share which he acquires 1/10th from M and 1/10th from N.. Calculate the new Profit sharing ratio.
9. X and Y are Partners sharing Profits and Losses in the ratio 3:2. Z was admitted as a new partner. X surrendered 1/5th of his share and Y surrendered 2/5th of his share in flavor of Z Calculate the new Profit sharing ratio.
10. X and Y are Partners sharing Profits and Losses in the ratio 4:3. Z was admitted as a new partner. X surrendered 1/4th of his share and Y surrendered 1/3rd of his share in flavor of Z Calculate the new Profit sharing ratio.
11. X and Y are Partners sharing Profits and Losses in the ratio 9:6. Z was admitted as a new partner. X surrendered 3/15th of his share and Y surrendered 6/15th of his share in flavor of Z Calculate the new Profit sharing ratio.
12. X and Y are Partners sharing Profits and Losses in the ratio 3:2. Z was admitted as a new partner. X gives 1/3rd of his share and Y gives 1/10th from his share Calculate the new Profit sharing ratio.
13. A, B ,C and D are Partners sharing profits and losses in the ratio 9:6:5:5 respectively. E joined the firm as a new partner for 20% share. A,B C and D would in future share profits among themselves as 3:4:2:1.Calculate the NPSR.
14. A and B are Partners sharing Profits and Losses in the ratio 3:1. C was admitted as a new Partner for 1/4th share. C acquired his share in the proportion 2:1. Calculate the new Profit sharing ratio.
15. A and B are Partners sharing Profits and Losses in the ratio 4.1 C was admitted as a new Partner for 1/5th share. C acquired his share in the proportion 3:2. Calculate the new Profit sharing ratio.
16. P, Q and R are Partners sharing profits and losses in the ratio 3:2:1. S is admitted as a new partner for 1/6th share and the new profit sharing ratio will be 4:3:3:2. Calculate the Sacrificing share
17. A and B are Partners sharing Profits and Losses in the ratio 4.3 C was admitted

as a new Partner for 1/5th share. C acquired his share in the proportion 3:2. Calculate the new Profit sharing ratio.

18. Ajit, Baljit and Charanjit are partners sharing profits in 5 : 3 : 2 ratio . They admitted Ajit's son Daljit for 1/8th of the share which he acquired entirely from his father Ajit. Calculate new profit sharing ratio.
19. Mohan and Sohan are partners sharing profits in the ration of 3 : 2. They admit Karan and give him 1/5th share. He gets it equally from Mohan and Sohan. Find out the new ratio.
20. Amar, Bharat and Charat are partners sharing profits in the ratio of 5 : 3 : 2. They admit Sheetal and give him 20 % share. He gets his share from the old partners in their old ratio of 5 : 3 : 2. Calculate the new ratio.
21. Anu , Beena and Leena are sharing profits in the ratio of 5 : 3 : 2 . They admit Disha and give her 1/8th share, which she gets from Anu, Beena and Lena in the ratio of 3: 2: 1. Calculate the new ratio.
22. X and Y share profits in the ratio of 3: 2. They admit Z with 3/7 share in profits. He gets this share as 1/7 from X and 2/7 from Y. Calculate the new ratio.
23. Lalit, Mohan and Narinder share profits in the ratio of 3: 2: 1. They admit Upendra with 1/8th share in future profits. Calculate the new ratio.
24. Ajit and Baljit are partners sharing profits in the ratio of 3: 2. They admit Surjit as a new partner.Ajit surrenders 1/4th of his share and Baljit sacrifices 1/5th of his share. Calculate the new ratio.
25. A, B and C are partners sharing profits as 5 : 3 : 2 . They admit D and give him 1/5th of the share. It is decided that C's share will not change. Calculate new ratio.
26. Amar and Akbar share profits in the ratio of 3 ; 2. They admit Babar with 1/6th of the share. Calculate the new ratio and sacrificing ratio.
27. X & Y share profits in the ratio of 4: 1. They admit Z with 1/5th share, which he gets only from X. Calculate new ratio and sacrificing ratio.
28. Laxman and Mohan share profits in the ratio of 5: 2. They admit Sunder with 1/8TH share. Sunder gets it:
    a) equally from Laxman and Mohan
    b) In the ratio of 3: 1 from Laxman and Mohan respectively.
    Calculate the sacrificing ratio in both the above cases.
29. Preeti and Ritu share in the ratio of 7: 3. The admit Anshu. Preeti gives 1/3rd of her share and Ritu give 1/4th of her share to Anshu. Calculate Sacrificing ratio.
30. Seeta and Geeta shared profits in the ratio of 3: 2. Rita was admitted with 1/5th share. It was agreed that Seeta and Geeta will share future profits in the ratio of 2: 1. Calculate the new ratio and the sacrificing ratio.
31. Mala and Shalu shared pforits in the ratio of 3: 2. They admitted Kamala and agreed that their ratio will be 5: 3: 2. Calculate the sacrificing ratio.
32. Akash and Prakash shared profits as 2 : 3 . They admit Sudesh as a new partner. Akash, Prakash and Sudesh decide to share their profits in the ratio of 3: 2: 2 respectively. Calculate the gain or sacrifice made by each of the old partners on the admission of Sudesh.

Treatment of Goodwil

1) M and J are partners sharing profits in the ratio of 3:2. They admitted R as a new partner. The new profit sharing ratio between M, J and R will be 5:3:2. R brought `25,000 for his share of Goodwill. Pass the necessary journal entries for goodwill.

2) Piyush and Deepika are partners sharing profits in the ratio of 7:3. They admit Seema as a new partner paying `4,000 as premium for $1/5^{th}$ share. The new profit being 5:3:2. Pass journal entries.

3) A and B are partner sharing profits in the ratio of 3:2. Goodwill appears in their books at `3,000. They admit C into partnership, C paying a premium of `1,000 for one-fourth share in profits. A and B as between themselves sharing profits as before.

4) A and B are partners sharing profits in the ratio of 3:2. They admit C as new partner. C pays a premium of `3,000 for 3/10 share of profits which he acquires from A and B in the ratio of 2:1. Goodwill account appears in the books at `2,000. Pass journal entries.

5) A , B and C are partners sharing profits in the ratio of 5:3:2. Goodwill is appearing in the books at `50,000. D is admitted to the partnership, the new profit sharing ratio between A, B,C and D being 3:3:2:2. Pass the journal entries for Goodwill if the new partner D brings `1,00,000 for capital and cash for his share of goodwill. The goodwill of the firm is valued at `1,20,000 and it is not to appear in the books after D's admission.

6) A and B are partners sharing profits in the ratio of 2:1. They admit C for $1/4^{th}$ share in profits. C brings `30,000 for his capital and `8,000 out of his share of `10,000 for goodwill. Before admission goodwill appeared in books at `18,000. Pass journal entries.

7) E and F were partners in a firm sharing in the ratio of 3:1. They admitted G as a new partner on 1.3.2005 for $1/3^{rd}$ share. It was decided that E, F and G will share future profits equally. G brought `50,000 in cash and machinery worth `70,000 for his share of profit as premium for goodwill. Pass necessary journal entries.

8) A and B are partners in a firm sharing profits in the ratio of 3:2. They admit C into partnership for $1/5^{th}$ share. C brings `30,000 as capital and `10,000 as premium for goodwill. New profit sharing ratio of partners shall be 5:3:2. Pass necessary journal entries.

9) A and B are partners in a firm sharing profits in the ratio of 3:2. They admit C into partnership. C is paying a premium of `1,000 for $1/4^{th}$ share of the profits. A, B and C decided to share the future in the ratio of 3:3:2. Pass journal entries.

10) A and B are partners in a firm sharing profits equally. They admit C into partnership. C pays only `1,000 for premium, out of his share of premium of `1,800 for $1/4^{th}$ share of profit. Give necessary journal entries if the new profit sharing ratio is 7:5:4.

11) A and B are partners in a firm sharing profits in the ratio of 3:2. They admit C into partnership for $1/5^{th}$ share in profits. C brought in `80,000 as his share of capital and `24,000 as premium. The new profit sharing ratio of A, B and C will be 5:3:2. Pass journal entries.

12) A and B are partners in a firm sharing profits in the ratio of 5:3. They admit C

into partnership for $3/10^{th}$ share in profits which he takes 2/10 from A and $1/10^{th}$ from B, C brings in `3,000 as premium in cash out of his share of `7,800. Goodwill does not appear in the books of A and B. Pass journal entries.

13)A and B are partners in a firm with capitals of `26,000 and `22,000. They admit C as a partner for $1/4^{th}$ share in profits of the firm. C brings `26,000 as his share of goodwill. Pass journal entries.

14)A and B are partners with capitals of `13,000 and `9,000 respectively. They admit C as partners with $1/5^{th}$ share in the profit of the firm. C brings `8,000 as his capital. Pass journal entries.

15)A and B were partners with ` 1,00,000 capital each in affirm sharing profits equally. On1st January they admitted C as a new partner with 1 /4 share in profits and he brings ` 1,00,000 as his share of capital but unable to bring premium in cash. On the date of C’s admission the balance sheet of A and B showed a general reserve of `50,000 and a debit balance of `20,000 in the Profit and loss account. Pass necessary journal entries.

16) Vijay and Sanjay are partners in a firm sharing profits and losses in the ratio of 3:2. They decide to admit Ajay into partnership with 1/4 share in profits. Ajay brings in ` 30,000 for capital and the requisite amount of premium in cash. The goodwill of the firm is valued at ` 20,000. The new profit sharing ratio is 2:1:1. Vijay and Sanjay withdraw their share of goodwill. Give necessary journal entries.

17)Srikant and Raman are partners in a firm sharing profits and losses in the ratio of 3:2. They decide to admit Venkat into partnership with 1/3 share in the profits. Venkat brings in ` 30,000 as his capital. He also promises to bring in the necessary amount for his share of goodwill. On the date of admission, the goodwill has been valued at `24,000 and the goodwill account already appears in the books at ` 12,000. Venkat brings in the necessary amount for his share of goodwill and agrees that the existing goodwill account be written off. Record the necessary journal entries in the books of the firm

18)Ahuja and Barua are partners in a firm sharing profits and losses in the ratio of3:2. They decide to admit Chaudhary into partnership for 1/5 share of profits, which he acquires equally from Ahuja and Barua. Goodwill is valued at ` 30,000. Chaudhary brings in ` 16,000 as his capital but is not in a position to bring any amount for goodwill. No goodwill account exists in books of the firm. Goodwill account is to be raised at full value. Record the necessary journal entries.

19)Ram and Rahim are partners in a firm sharing profits and losses in the ratio of 3:2. Rahul is admitted into partnership for 1/3 share in profits. He brings in ` 10,000 as capital, but is not in a position to bring any amount for his share of goodwill which has been valued at ` 30,000. Give necessary journal entries under each of the following situations:
(a) When there is no goodwill appearing in the books of the firm;
(b) When the goodwill appears at `15,000 in the books of the firm; and
(c) When the goodwill appears at ` 36,000 in the books of the firm.

20) A and B are partners sharing profits and losses equally. They admit C into partnership and the new ratio is fixed as 4:3:2. C is unable to bring anything for goodwill but brings ` 25,000 as capital. Goodwill of the firm is valued at `18,000. Give the necessary journal entries assuming that the partners do not want goodwill to appear in the Balance Sheet.

21) Hem and Nem are partners in a firm sharing profits in the ratio of 3:2. Their capitals were ` 80,000 and ` 50,000 respectively. They admitted Sam on Jan. 1, 2015 as a new partner for 1/5 share in the future profits. Sam brought ` 60,000 as his capital. Calculate the value of goodwill of the firm and record necessary journal entries on Sam's admission.

22) X and Y are partners in a firm sharing profits and losses in 4:3 ratio. They admitted Z for 1/8 share. Z brought ` 20,000 for his capital and ` 7,000 for his 1/8 share of goodwill. Subsequently X, Y and Z decided to show goodwill in their books at ` 40,000. Show necessary journal entries in the books of X, Y and Z?

23. Aditya and Balan are partners sharing profits and losses in 3:2 ratio. They admitted Christopher for 1/4 share in the profits. The new profit sharing ratio agreed was 2:1:1. Christopher brought ` 50,000 for his capital. His share of goodwill was agreed to at ` 15,000. Christopher could bring only ` 10,000 out of his share of goodwill. Record necessary journal entries in the books of the firm?

24. Amar and Samar were partners in a firm sharing profits and losses in 3:1 ratio. They admitted Kanwar for 1/4 share of profits. Kanwar could not bring his share of goodwill premium in cash. The Goodwill of the firm was valued at ` 80,000 on Kanwar's admission. Record necessary journal entry for goodwill on Kanwar's admission.

25) Mohan Lal and Sohan Lal were partners in a firm sharing profits and losses in 3:2 ratio. They admitted Ram Lal for 1/4 share on 1.1.2010. It was agreed that goodwill of the firm will be valued at 3 years purchase of the average profits of last 4 years which were ` 50,000 for 2010, ` 60,000 for 2011, ` 90,000 for 2012 and ` 70,000 for 2013. Ram Lal did not bring his share of goodwill premium in cash. Record the necessary journal entries in the books of the firm on Ram Lal's admission when:
a) Goodwill already appears in the books at ` 2,02,500.
b) Goodwill appears in the books at ` 2,500.
c) Goodwill appears in the books at ` 2,05,000.