



St. Lawrence High School

A Jesuit Christian Minority Institution



Answer Key 23

Sub: Accountancy

Class: XII

Chapter: Unit 2: Reconstruction of Partnership

F.M.: 15

Topic: Change in Profit Sharing Ratio 2

Date: 24/06/2020

1. Revaluation of assets means
(a) increase of asset; (b) decrease of asset; (c) no change of asset; **(d) none of these.**
2. The other name of revaluation is
(a) profit and loss appropriation; **(b) profit and loss adjustment;** (c) profit and loss; (d) none of these.
3. Here PSR stands for
(a) personal security requirement; **(b) profit sharing ratio;** (c) profit sharing return; (d) none of these.
4. Memorandum revaluation account is prepared when
(a) assets are shown at revalued figure; **(b) assets are shown at original figure;** (c) assets are not shown; (d) none of these.
5. For increasing of an asset; asset account is
(a) debited; (b) credited; (c) debited or credited; (d) none of these.
6. For increasing of an asset, revaluation account is
(a) debited; **(b) credited;** (c) debited or credited; (d) none of these.
7. For increasing of a liability; liability account is
(a) debited; **(b) credited;** (c) debited or credited; (d) none of these.
8. For increasing of a liability; revaluation account is
(a) debited; (b) credited; (c) debited or credited; (d) none of these.
9. For distribution of general reserve, general reserve account is
(a) debited; (b) credited; (c) debited or credited; (d) none of these.
10. For distribution of general reserve, partners' capital account is
(a) debited; **(b) credited;** (c) debited or credited; (d) none of these.
11. Profit of revaluation is to be distributed among the partners in
(a) old ratio; (b) new ratio; (c) sacrificing ratio; (d) gaining ratio.
12. General reserve is distributed among the partners in
(a) old ratio; (b) new ratio; (c) sacrificing ratio; (d) gaining ratio.
13. Premium for goodwill is distributed among the partners in
(a) old ratio; (b) new ratio; **(c) sacrificing ratio;** (d) gaining ratio.
14. Goodwill is distributed in retirement and death in
(a) old ratio; (b) new ratio; (c) sacrificing ratio; **(d) gaining ratio.**
15. Value of machinery increased by ₹5,000, machinery account is to be
(a) debited; (b) credited; (c) not entered; (d) none of these.

Compiled by
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