



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Worksheet 18

Sub: Accountancy

Class: XII

Chapter: Unit I: Introduction to Partnership

F.M.: 15

Topic: Goodwill 2

Date: 11/06/2020

Choose the correct alternatives:

1 x 15 =15

1. Which is required to be calculated at the time of calculating valuation of goodwill?
(a) average profit; (b) normal business profit; (c) super profit; (d) all of these.
2. Abnormal losses are _____ to compute normal profit.
(a) deducted; (b) added; (c) not included or excluded; (d) none of these.
3. Capital expenditure is the
(a) operational expenses; (b) non-operational expenses; (c) revenue expenses; (d) none of these.
4. Abnormal gain is the
(a) operational expenses; (b) non-operational expenses; (c) revenue expenses; (d) none of these.
5. Non-recurring income includes
(a) Bad debt recovery; (b) discount received; (c) profit on sale of asset; (d) none of these.
6. Overvaluation of closing stock means
(a) closing stock is shown more; (b) closing stock is shown less; (c) closing stock remains unchanged; (d) none of these.
7. Example of capital expenditure is
(a) purchase of goods; (b) purchase of stationery; (c) depreciation on machinery; (d) construction of factory shed.
8. A business earns
(a) normal profit; (b) actual profit; (c) super profit; (d) average profit.
9. Under valuation of closing stock means
(a) closing stock is shown more; (b) closing stock is shown less; (c) closing stock remains unchanged; (d) none of these.
10. Goodwill which is shown in the balance sheet is
(a) purchased goodwill; (b) self-generated goodwill; (c) either (a) or (b); (d) none of these.
11. In the given problem, the amount of average profit is
(a) ₹50,000; (b) ₹60,000; (c) ₹70,000; (d) none of these.
12. Weights of the average profit is given in
(a) ascending order; (b) descending order; (c) same order; (d) none of these.
13. The weighted average profit of the given sum is
(a) ₹63,333; (b) ₹67,666; (c) ₹70,000; (d) ₹60,000.
14. Goodwill under simple average method is
(a) ₹50,000; (b) ₹60,000; (c) ₹70,000; (d) none of these.
15. Goodwill under weighted average method is
(a) ₹1,20,000; (b) ₹1,26,666; (c) ₹63,333; (d) none of these.

Compiled by
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