Q1. Identify various matters that need adjustments at the time of admission of a new partner.
Solution: Various matters which need to be adjusted at the time of admission of a new partner are as follows:
1. Profit-sharing Ratio: Determining new profit-sharing ratio
2. Goodwill: Valuation and treatment of goodwill
3. Revaluation of Assets and Liabilities: Profits or losses arising from revaluation of assets and liabilities are to be adjusted among old partners in the old ratio
4. Accumulated Profits, Losses and Reserves: Accumulated profits, losses and reserves are distributed among old partners in the old ratio
5.Capital Adjustment: Adjustment of partner's capital (if agreed)

Q2. Why it is necessary to ascertain new profit sharing ratio even for old partners when a new partner is admitted?
Solution: It is necessary to ascertain new profit-sharing ratio for old partners when new partner/s is/are admitted because the old partner of the partnership firm needs to sacrifice the share of profit in favour of the new partner/s and this reduces the share of profit of old partners.

Q3. What is sacrificing ratio? Why is it calculated?
Solution: The ratio in which the existing partners of the partnership firm agree to sacrifice their share of profit in favour of the new incoming partner is called sacrificing ratio. Sacrificing ratio is calculated as the difference between old ratio and new ratio of old partners.
Sacrificing Ratio = Old Ratio - New Ratio
It is important to calculate this ratio because the new partner needs to compensate the old partners for sacrificing their share of profit. The new partner compensates the old partner by making payment to them in the form of goodwill which is transferred among the old partners in their sacrificing ratio.

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