

ACCOUNTANCY HOLIDAYS HOMEWORK FOR CLASS –XII

Part A - THEORY

- 1 What is the maximum and minimum number of Partners as per Companies Act.
2. Distinguish between Fixed and Fluctuating Partners Capital A/c.
3. Why Profit and Loss Appropriation A/c is prepared?
- 4 Distinguish between Sacrificing Ratio and Gaining Ratio.
- 5 State Various factors affecting Goodwill
6. State AS-26 for intangible Assets.
7. State the rules in the absence of Partnership Deed.

Part- B

1. X and Y are partners sharing profits and losses in the ratio of 3 : 2. Z is admitted for $\frac{1}{4}$ share which is sacrificed by A and B equally.

Calculate New ratio.

(1)

- 2 . Mayank and Sudhanshu are partners in a firm. Give the journal entry to distribute 'Investment Fluctuation Reserve' of ₹ 40,000 at the time of admission of Ajay, when investments (Market value ₹ ₹ 1,90,000) appear at ₹ 2,00,000. (1)

3. .A and B are partners in a firm sharing profits in the ratio of 3:2. Their

Balance Sheet as at 31st March ,2015 stood as under:

Liabilities		Assets	
Capital A/cs		Machinery	33,000
A	35,000	furniture	15,000
B	30,000	Investment	20,000
General Reserve	10,000	Stock	23,000
Bank Loan	9,000	Debtors	19,000
Creditors	36,000	Less Prov.for	
		D./d	2,000
		Cash	12,000
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	1,20,000		1,20,000

On that date, they admitted C into partnership for $\frac{1}{4}$ share in the profit on the following terms:

- (i) C brings capital proportionate to his share. He brings ₹ 7,000 in cash as his share of goodwill.
- (ii) Debtors are all good.
- (iii) Depreciate stock by 5% and furniture by 10%
- (iv) An outstanding bill for Repairs Rs 1000 will be brought in books.
- (v) Bank Loan is to be paid off.
- (vi) Partners agreed to share future profits in the ratio of 3:3:2

Prepare the Revaluation A/c, Partners Capital A/c's and Balance sheet of

new firm.

(8)

4. Aditi and Beenu and Charu are partners in a firm sharing profits in the ratio of 5 : 4 : 1. They admitted Dilbag and Rajiv as new partners. The new profit sharing ratio will be 3 : 4 : 2 : 2 : 1. Dilbag brought ₹ 30,000 for his share of premium but Rajiv has insufficient cash to pay for goodwill. Both the new partners introduced ₹ 40,000 each for their respective capitals. Pass Journal Entries and show your working notes clearly. (3)

5. A and B are partners with capitals of ₹ 1,60,000 and ₹ 1,20,000 respectively. They admit C as a partner on 1st April 2016 for $\frac{1}{4}$ th share in the profits of the firm. C brings ₹ 1,60,000 as his share of capital.

Give journal entries on C's Admission. (3)

6. Akshaya and Ritika were partners in a firm supplying school stationery. They share profits in the ratio of 4 : 1. Their capitals as on 1st April 2012 were ₹ 2,00,000 and ₹ 1,00,000 respectively. On this date Ritika suggested Akshaya to start supplying low cost stationery also to the students who belong to low income group

and have been admitted to the private schools of the city as per the provisions of Rights to Education Act 2009. Akshaya agreed and requested to admit her friend Sunil, a physically handicapped unemployed person in to the firm, however Sunil will not contribute any capital. Akshaya surrenders 1/4th of her share and Ritika surrenders 1/2 of her share in favour of Sunil, a new partner.

- (i) Identify any four values which according to you motivated them to form the partnership firm. **(2)**
- (ii) Calculate Sacrificing ratio. **(1)**
- (iii) Calculate new ratio. **(1)**

7. A and B are partners sharing profits in the ratio of 3 : 2. They admit C into the partnership with 1/4 th share in future profits.

The new profit sharing ratio is 5 : 4 : 3. C brings into the business ₹ 50,000 for his capital but could not bring any amount for goodwill. The firm's goodwill on C's admission was valued at ₹ 48,000. Pass journal entries**(4)**

8. A, B and C were partners in a business sharing profits equally, C retires on 1.1.2011, when the Balance Sheet stood as follows:

BALANCE SHEET

as at 1.1.2011

Liabilities	₹	Assets	₹
Bills Payable	2,000	Cash at Bank	3,750
Creditors	350	Bills Receivable	2,500
General Reserve	7,500	Debtors	6,300
Profit and Loss A/c	3,000	Stock in Trade	700
Capitals –		Furniture & Fixtures	4,000
A	7,500	Building & Land	16,350
B	8,250	Deferred Revenue	
C	8,000	Expenditure	3,000
	36,600	(Advertisement)	36,600

The goodwill of the firm is valued at ₹ 11,250. Amount payable to C is transferred to his loan account which will be paid in three equal annual installment together with interest @ 10% p. a. Show the Retiring Partner's Capital Account and his Loan Account till it is paid off. Books of accounts are closed on 31st December every year.

(6)

9. X, Y, and Z are partners with fixed capitals of ₹ 1,50,000, ₹ 1,20,000 and ₹ 1,00,000 respectively. The Balance of current accounts on 1st January, 2011 were X ₹ 8,000 Y ₹ 3,000 (Cr.) and Z ₹ 2,000 (Dr.). X advanced ₹ 20,000 on July 1, 2011. The partnership deed provided for the following:

- (a) Interest on Capital at 5% p. a.
- (b) Interest on drawings at 6% p. a. Each partner drew ₹ 10,000 on July 1, 2011.

- (c) ₹ 20,000 is to be transferred to a Reserve Account.
 (d) Profit and Loss to be shared in the proportion of 3 : 2 : 1 upto ₹ 60,000 and above ₹ 60,000 equally.

Net profit of the firm before above adjustments was ₹ 1,15,400

From the above information, prepare Profit and Loss Appropriation Account, Capital and Current Accounts of the partners. (6)

10. A, B and C are partners in a firm sharing profits and losses equally. As per the Partnership Deed, Z is entitled to a commission of 10% on Net profit after charging such commission, Net Profit before charging commission is Rs 1,10,000. Find the commission payable to Z. (1)

11. Rajiv and Bupender are partners sharing profits in the ratio of 3:2. Jyotika is admitted as new partner and Rajiv sacrificed $\frac{1}{5}$ from his share and Buhupender sacrificed $\frac{1}{4}$ of his share in favour of Jyotika. Calculate New Ratio.(1)

12. State any two factors affecting the Goodwill of a firm.(1)

13. Ram, Tarun and Karan are partners in a firm sharing profits and losses equally. Karan wants to retire as partner on his personal grounds. Ram and Tarun accepted his decision with reluctance. However, They informed him that if he can join back as a partner within one year, if he so desires. Which values have been fulfilled by them.?(1)

14. A and B are partners in a firm sharing profits in the ratio of 3:2. Their Balance Sheet as at 31st March ,2012 stood as under:

Liabilities	Rs	Assets	Rs
Creditors	66,000	Cash at Bank	87,000
General Reserve	10,000	Debtors	42,000
Invest. Fluct.Fund	4,000	Prov.forb/d	7,000
Capital A/cs		Investment	21,000
A	1,19,000	(Market Price Rs 19,000)	
B	1,12,000	Building	98,000
		Machinery	70,000
	2,31,000		
	3,11,000		3,11,000

On that date, they admitted C into partnership for $\frac{1}{6}$ th share in the profit on the following terms:

- (i) C brings Rs 56,000 as capital proportionate to his share. He brings Rs 14,000 in cash as his share of goodwill.
- (ii) Machinery is appreciated by 20%.
- (iii) All Debtors are good.
- (iv) There is liability of Rs 9,800 included in sundry Creditors that is not likely to arise.
- (v) Capitals of A and B will be adjusted on the basis of C's capital and any excess or deficiency be adjusted through cash.

Prepare the Revaluation A/c, Partners Capital A/c's and Balance sheet of new firm.

PROJECT WORK

Prepare Project on Accountancy as per CBSE guidelines.