JIYA LAL MITTAL DAV PUBLIC SCHOOL

GRADE – XII   SA-I (SEPT, 2015)

SUBJECT – ACCOUNTANCY

TIME: 3hrs.   M.M-80

NOTE: (1) Marks are given against each questions.
(2) All questions are to be attempted.
(3) Paper should be attempted in serial order.
(4) All the calculations should be done at the right side of each sheet by drawing a margin.

1) What is meant by partnership? (1)
2) What is the maximum limit on number of partners in a firm? (1)
3) Define Goodwill. (1)
4) What is purchased Goodwill? (1)
5) Give the Journal entry of Goodwill already appearing in the books on the admission of a new partner. (1)

6) Where do the effect of Increase in liabilities and decreases in assets in Revaluation are recorded? (1)
7) Which ratio is calculated on the admission of a new partner? Give formula. (1)

8) List any one reason on which a court may dissolve a firm? (1)
9) Give the format of partner's capital accounts. (3)

10) A & B started business on 1st January, 2011 with capitals of Rs.60,000 and Rs.40,000 respectively. During the year, A introduced Rs.10,000 to the firm as additional capital on 1st July, 2011. They withdrew Rs.5,000 per month for household expenses. Interest on capital is to be allowed @ 10%. Calculate the interest payable to A and B for the year ended 31st Dec, 2011. (3)

11) Goodwill is to be valued at three years purchase of four year's average profit. The profit for the last four years of the firm all:

2008:- Rs.12000;	2009:- Rs.18,000
2010:- 16,000	2011:- Rs. 14,000

Calculate the amount of goodwill. (3)

12) X and Y were partners in a firm sharing profits in the ratio 3:2. Their capitals were Rs.1,60,000 and Rs.1,00,000 respectively. They admitted Z on 1st April, 2013 as a new partner for 1/5 share in future profits. Calculate New profit sharing ratio & Journal entry of above. (3)

13) A, B were partners in a firm sharing profits in the ratio of 4:1. Their capitals on 1st April, 2008 were:
A Rs.5,00,000 and B Rs. 1,00,000. The partnership deed provided that A will get a commission of 10% of the net profit after allowing salary of Rs.5,000 per month to B. The profit of the firm for the year ended 31st March, 2009 was Rs.2,80,000 Prepare the profit & loss Appropriation Account of A and B for the year ended 31st March, 2009. (4)

14) X and Y sharing profits & losses in the ratio 7:3. Their capital accounts as at 1st April, 2009 stood as:
X – Rs.5,00,000 , Y – Rs.4,00,000 . The partners are allowed interest on capital @ 5% p.a. The drawings of the partners during the year ended 31st March, 2010 amounted to Rs.72,000 and Rs.50,000 respectively. The profit for the year 2009-10 before allowing interest on capital and salary to Y @ Rs.5000 p.m. amounted to 8,00,000 10% of the profits are to be set aside as General Reserve.
Prepare the partners Capital & Current accounts. (4)

15) A,B,C sharing profits in the ratio of 4:3:2 & new ratio is 2:3:4. An extract of Balance Sheet as at 31st March, 2012 is:

Liabilities	Rs.	Assets	Rs.
Workmen's compensation Reserve	90,000		

Show the accounting treatment under following cases:
Case 1 : If there is no other information.
Case 2 : If claim is estimated at Rs.45,000
Case 3 : If claim is estimated at Rs. 99,000 (4)

16) Gyan & Govind are partners sharing profits in the ratio of 5:3. They admitted Ganga as a new partner for 1/5th share in profits. Ganga brought in Rs.40,000 for his 1/5th shares in the profits as premium for Goodwill.
Record the necessary Journal entries in the books of the firm on Ganga's admission. The new profit sharing ratio will be 3:1:1 (4)

17) Rohit and Mohit sharing profits in the ratio of 5:3 , had the following B/S as at 31st March, 2012:

Liabilities	**Rs.**	**Assets**	**Rs.**
Creditors	20,000	Goodwill	30,000
B/P	8,000	Building	34,000
Gen. Reserve	28,000	Plant	27,000
Capital A/Cs:		Furniture	4,000
Rohit 80000		Debtors	32,500
Mohit 40000	1,20,000	B/R	15,000
		Stock	22,500
		Bank	11,000
	1,76,000		1,76,000

The partners decided to revalue the assets as follows:
Goodwill Rs.50,000; Plant Rs.25,000; Debtors Rs.31,000; Stock Rs.32,500; Building Rs.40,000; Furniture Rs.2,000; B/R Rs. 12,500.
Prepare Revaluation Account. (4)

18) Ali and Bahadur are partners in a firm sharing profits and losses as Ali 70% and Bahadur 30%. Their capital accounts as on 1st April, 2014 stands as Ali Rs. 25,000 and Bahadur Rs.20,000 the partners are allowed 5% per annum by way of interest on capitals. The drawing of the partners during the year ended 31st March, 2015 amounted to Rs.3,500 and Rs.2,500 respectively.

The profit during the year, before charging interest on capital and annual salary of Bahadur at the rate of Rs.3,000 amounted to Rs.40,000, 10% of this profit is to be taken kept in a Reserves Account.

Prepare profit and Loss Appropriation , Partners Capital account and current account. (6)

19) Shayam Lal and Sanjay were in partnership business sharing profits and losses in the ratio 2:3 respectively. Their balance sheet as on 31st March 2015 was as under:

Liabilities	**Rs.**	**Assets**	**Rs.**
Sundry Creditors	12,345	Cash in hand	710
Capital: ShayamLal 34050 Sanjay 34050	68100	Cash at Bank	11,925
		Debtors	5,500
		Stock	18,000
		Furniture	4,400
		Building	40,000
	80,535		80,535

On that date, they admitted Shankar into partnership and gave him one-third share in future profits on the following terms:

(a) Shankar is to bring Rs.30,000 as capital and Rs.20000 as goodwill.
(b) Stock and furniture reduced by 10%.
(c) Building increase by Rs.15,000.
(d) Provision of 5% on debtors.

Prepare re-evaluation, capitals accounts, balanced sheet of new firm. (6)

20) X, Y, Z were in partnership sharing profits and losses in the proportions of 3:2:1.On 1st Jan, 2015 Y retires from the firm. On that date, their B/S was as follows:

Trade Creditors	3000	Cash in hand	1500
Bills payable	4500	Cash at Bank	7500
Expenses owing	4500	Debtors	15000
Reserve Fund	13500	Stock	12000
Capitals:		factory premises	22500
X 15000		Machinery	8000
Y 15000		Loose tools	4000
Z 15000			
	70500		70500

(a) Goodwill of the firm was valued at Rs.13500 & adjustments in their respect was to be made in continuing partners. Capital Account without raising goodwill account.

(b) Expenses owing to be brought down to Rs.3750
(c) Machinery & loose tools are to be valued at 10% less than their book value.
(d) Factory premises valued at Rs.24,3000

Prepare Revaluation, Capital account & balanced sheet on wise retirement. (6)

21) Bale and Yale are equal partners of a firm. They decide to dissolve their partnership on 31st March, 2015 on which date their Balance sheet stood as follows.
Balance sheet as on 31st March, 2015

Liabilities	**Rs.**	**Assets**	**Rs.**
Capital A/Cs: Bale 50,000 Yale 40,000	90,000	Building	45,000
General Reserve	8,000	Machinery	15,000
Ball's Loan A/C	3,000	Furniture	12,000
Creditors	14,000	Debtors	8,000
		Stock	24,000
		Bank	11,000
	1,15,000		1,15,000

(a) The assets realised were as under:
Stock Rs.22,000 , Debtors Rs.7500; Machinery Rs.16,000; Building Rs.35,000.
(b) Yale took the furniture at Rs.9,000
(c) Bale agreed to accept Rs.2500 in full settlement of his loan account.
(d) Dissolution expenses amounted to Rs.2500.

Prepare: (a) Realisation Account
(b) Capitals Accounts of partners
(c) Bale's Loan Account
(d) Bank Account

22) A, B and C are partners sharing profits & losses in the ratio 2:3:5. On 31st March, 2015 their Balance sheet was as follows:

Liabilities	Rs.	Assets	Rs.
Capitals:		Cash at Bank	18,000
A 36000		Bills Receivable	24,000
B 44000		Furniture	28,000
C 52000	1,32,000	Stock	44,000
Creditors	64,000	Debtors	42,000
Employee P.F	32,000	Investments	32,000
P&L A/C	14,000	Machinery	34,000
		Goodwill	20,000
	2,42,000		2,42,000

They admit D into partnership on following terms:

(i) Furniture ,investment and machinery is to be depreciated by 15%
(ii) Stock is revalued at Rs.48,000.
(iii) Good will to be valued at Rs.24,000.
(iv) Employee P.F is to be increased by Rs.18,00
(v) Prepaid salaries Rs.800
(vi) D brings in Rs.36,000 towards capital for 1/6th share and partners to re-adjust their capital Accounts on the basis of their profit ratio.
(vii) D is not in position to bring in any amount for his share of firm's goodwill. The partners decide that necessary adjustments should be made through D's current account.

Prepare Revaluation account, Partner's Capital A/Cs, Bank Account and Balanced sheet of the new firm. (8)

23) Ramesh and Umesh were partners in firm sharing profits in the ratio of their capitals. On 31st March 2013, their balance sheet was as follows.
Balance sheet of Ramesh and Umesh on 31st March 2013.

Liabilities	Rs.	Assets	Rs.
Creditors	170,000	Bank	110,000
Workmen's completion fund	210,000	Debtors	240,000
		Stock	130,000
General reserve	200,000	Furniture	200,000
Ramesh current A/c	80,000	Machinery	930,000
Capitals:		Umesh Current A/c	50,000
Ramesh 700000			
Umesh 300000	10,00,000		
	16,60,000		1660,000

On the above date, the firm was dissolved.

(i) Ramesh look over 50% of stock at Rs.10,000 less than book value. The remaining stock was sold at Rs.15,000. Debtors were realised at a discount of 5%.
(ii) Furniture was taken over by Umesh for Rs.50,000 and Machinery was seed for Rs.450,000.
(iii) Creditors were paid in full.
(iv) There was an unrecorded bill for repairs for Rs.160,000 which was settled at Rs.140,000.

Prepare Realisation account. (8)