

Assignment Class 12 Accounts

Topic- Retirement or Death of a Partner

Time Allowed: 1 Hour

Maximum Marks: 20

Q 1 R, S and T are partners sharing profits in the ratio of 5:3:2. R retires and his share is entirely taken by P. Calculate new Profit- sharing ratio of P and Q? {2}

Q 2 L, M and N were partners sharing profits in the ratio of 2/6, 1/2 and 1/6. A retires and surrenders 2/3 of his share in favor of B and remaining in favor of C. Calculate new ratio and gaining ratio. (2,2)

Q 3 Aman, Raman and Suman were partners sharing profits in the ratio of 3:2:1 respectively. The profit and sales for the period from 1st April, 2016 to 30th November, 2016, if the same is calculated: (3,3)

(1) On the basis of sales which were 8 Lakh from 1st April, 2016 to 30th November, 2016.

(2) On the basis of time.

Also pass the necessary journal entry for the same.

Q 4 X, Y, and Z are in partnership sharing profits in the proportion of 3:2:1. There is no goodwill A/c in the books of the firm. As from 1st April, 2018 it was agreed that X should give only part of time, to the business and that in consequence he should receive in future only one half of his previous share, the remaining half being divided equally between Y and Z. The goodwill to be valued for this purpose, at Rs. 40,000. Calculate new share of partners and pass necessary journal entry. (3)

Q 5 Vikas, Gagan and Momita were partners in a firm sharing profits in the ratio of 2:2:1. The firm closes its books on 31st March every year. On 30th September, 2018 Momita died. According to the provisions of partnership deed the legal representatives of a deceased partner are entitled for the following in the event of his/her death:

(1) Capital as per the last balance sheet.

(2) Interest on capital at 6% p.a. till the date of her death.

(3) Her share of profit to the date of death calculated on the basis of average profits of last 4 years.

(4) Her share of goodwill to be determined on the basis of three years purchase of the average profits of last four years. The profits of last four years were:

Year	Profit (Rs)
2010-11	30,000
2011-12	50,000
2012-13	40,000
2013-14	60,000

1. The balance in Momita's capita account on 31-3-14 was Rs. 60,000 and she had withdrawn Rs. 10,000/- till the date of her death. Interest on her drawings were Rs. 300. Prepare Momita's Capital Account to be presented to her Executors. (5)