DAV PUBLIC SCHOOL, HEHAL
(ACCOUNTANCY: ASSIGNMENT)

① A, B and C are partners sharing profits and losses in the ratio of 3:2:1. As per new agreement, C acquires 1/6th share from A. Compute new profit sharing ratio and sacrifice and gain of the partner.

② A and B are partners in the ratio of 3:2. From 01.01.16, they decided to share equally. For this purpose goodwill of the firm is valued at ₹ 60,000. Pass necessary adjustment entry.

③ Navin, Anand and Ramya are partners sharing profits and losses in the ratio of 2:2:1. From 01.04.17 Anand agreed to sacrifice 1/2 of his share in favour of Navin and Ramya in the ratio of 3:2. For this purpose goodwill is valued ₹ 2,00,000. Calculate New profit sharing ratio and pass an adjustment entry for treatment of goodwill, assuming capital of the partners are fixed.

④ A, B and C are partners sharing profits and losses equally. They decided to share future profits and losses in the ratio of 2:2:1. Goodwill of the firm is valued at ₹ 60,000. Show journal entries under each of the following cases:

(i) When no goodwill appears in the books

(ii) When goodwill appears in the books at ₹ 30,000.

⑤ Ram, Shyam and Mohan are partners sharing profits in the ratio of 3:2:1. From 01.04.2018 they decided to share in the ratio of 2:1:1. On that date there was a credit balance in P&L A/c ₹ 80,000. and ₹ 40,000 in General Reserve. Record necessary Journal entries

(6) A and B are partner sharing profits and losses in the ratio of 3:2. On. 01.04.2018, they decided to share future profits and losses equally. On that date 'Workmen Compensation Reserve' appears in the books at ₹ 10,000. Show accounting treatment in each of the following alternative cases:

Case I: If there is no other information

Case II: If a claim on account of Workers compensation is estimated ₹ 4,000.

Case III: If a claim on account of Workers compensation is estimated ₹ 10,000.

Case IV: If a claim on account of workers compensation is estimated ₹ 12,000.

(7) A and B are partners sharing profits and losses in the ratio of 2:3. On 01.04.2018, they decided to share future profits and losses in the ratio of 2:1. An extract of their Balance Sheet as at 31st March, 2018 is as follows.

Balance Sheet as at 31.3.18

Liabilities	₹	Assets	₹
Investment Fluctuation Reserve	5,000	Investment	100,000

Show the accounting treatment in each of the following alternative cases:

Case I : If no other information is given

Case II : If the market value of Investment is ₹ 97,000.

Case III : If the market value of Investment is ₹ 95,000.

Case IV : If the market value of Investment is ₹ 92,000.

Case V : If the market value of Investment is ₹ 110,000.

*(8) Pooja, Manisha and Deepika are partners sharing profits and losses in an agreed ratio. With effect from 01.04.2017, they agreed to share profits equally. On that date, their Balance Sheet showed:

(i) P & L Account : ₹ 35,000

(ii) Advertisement Suspense Account : ₹ 5000.

The partners passed the following journal entries to give effect to the adjustment for accumulated profit, Loss:

01.04.2017.	Deepika's Capital A/c — Dr	5000	
	To Pooja's Capital A/c		5000
	(Being capital adjusted)		

Calculate the individual partner's gain or sacrifice and old ratio:

(9) A, B and C are partners sharing profits and losses equally. With effect from 01.04.2018, they agreed to share profits and losses in the ratio of 2:2:1. They decided to record the effect of the following, without affecting their book values.

(i) General Reserve _____ : ₹ 50,000

(ii) P & L A/c _____ ₹ 20,000

(iii) Investment Fluctuation Reserve : ₹ 10,000

(iv) Workmen Compensation Reserve : ₹ 12,000

(v) Advertisement Suspense Account : ₹ 2000.

Pass an adjustment entry, assuming no liability is expected on account of workmen compensation and market value of Investment is also assumed to be equal to the book value. The capitals of the partners are fixed.

(10) Pass journal entries to revalue assets and liabilities in the following cases:

(i) Creditors for ₹ 5000 is not likely to be claimed.

(ii) Building was overvalued ₹ 10,000.

(iii) Create provision for doubtful debts of ₹ 6,000.

(11) A, B and C are partners in a firm sharing profits and losses in the ratio of 2:2:1. Their Balance Sheet as at 31st March, 2017 was as follows:

Liabilities	₹		Assets	₹
General Reserve	20,000		Machinery	2,00,000
Bills Payable	40,000		Land & Building	2,00,000
Creditors	1,30,000		Debtors	60,000
Capital A/cs:			Cash in Hand	80,000
A 1,80,000				
B 120,000				
C 50,000	3,50,000			
	5,40,000			5,40,000

Partners decided to share profits equally from 1st Apr, 17 and also agreed at:

(a) Goodwill of the firm is valued at ₹ 60,000.

(b) Land and Building to be revalued to ₹ 2,60,000.

(c) Machinery is to be depreciated by ₹ 10,000.

(d) A provision for doubtful debts is to be maintained at 10% of debtors.

(e) Creditors amounting to ₹ 2,000 are not likely to arise.

Pass journal entries and Prepare Revaluation Account, Partners' Capital Accounts and Balance Sheet after Reconstitution.

(12) A and B are partners in a firm sharing profits and losses in the ratio of 3:2. Their Balance Sheet as at 31.03.2018 was.

Liabilities	₹	Assets	₹
Bills Payable	50,000	Building	80,000
Creditors	70,000	Plant & Machinery	90,000
General Reserve	60,000	Stock	30,000
Capital A/cs:		Debtors	1,30,000
A: 2,00,000		Cash in Hand	1,50,000
B: 1,00,000	3,00,000		
	480,000		480,000

On 1st April, 2018, the partners decided to share profits and losses in the ratio of 2:1. For this purpose it was agreed that:

(i) Creditors amounting to ₹ 3000 are no longer required to be paid.

(ii) Building should be revalued at ₹ 1,20,000.

(iii) A provision of 10% be made on debtors for bad and doubtful debts.

(iv) The goodwill of the firm should be revalued at ₹ 90,000.

Pass necessary journal entries to give effect to the above ~~over~~stated agreement without opening the Revaluation Account. Also prepare the capital Account of the partners and Balance sheet of the reconstituted firm.

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