KENDRIYA VIDYALAYA MATI

SUMMER VACATION HHW (2023-24)

ACCOUNTANCY (055)
CLASS- XII

1. PREPARE Company's portfolio for specific project.
2. Revise the syllabus done so far.
3. Do the following Assignment

ASSIGNMENT

1	Ritesh and Hitesh are childhood friends. Ritesh is a consultant whereas Hitesh is an architect. They contributed equal amounts and purchased a building for ₹ 2 crores. After a year, they sold it for ₹ 3 crores and shared the profits equally. Are they doing the business in partnership? Give reason in support of your answer.	**1**
2	What is meant by Fixed Capital of partners?	**1**
3	What is meant by Partnership Deed?	**1**
4	Give the average period in months for charging interest on drawings for the same amount withdrawn at the beginning of each quarter.	**1**
5	What share of profits would a "sleeping partner", who has contributed 75% of the total capital, get in the absence of a deed?	**1**
6	Mohit and Rohit were partners in a firm with capitals of ₹ 80,000 and ₹ 40,000 respectively. The firm earned a profit of ₹ 30,000 during the year. Mohit's share in the profit will be: (i) ₹ 20,000 (ii) ₹ 10,000 (iii) ₹ 15,000 (iv) ₹ 18,000	**1**
7	The interest on Partner's Capital accounts is to b credited to……… (i) Profit & Loss A/c (ii) Interest A/c (iii) Partner's Capital A/c (iv) None of these	**1**
8	X has given a loan of ₹ 50,000 to the firm. He claims 10% p.a. interest. Is his claim valid in case partnership deed is silent in his matter?	**1**
9	Which one of the following items cannot be recorded in the profit and loss appropriation account? (i) Interest on Capital (ii) Interest on Drawings (iii) Rent paid to Partners (iv) Partner's Salary	**1**
10	Net profit of a firm is ₹ 79,800. Manager is entitled to a commission of 5% of profits after charging his commission. Manager's commission will be: (i) ₹ 4,200 (ii) ₹ 380 (iii) ₹ 3,990 (iv) ₹ 3,800	**1**
11	On 1-4-2021, Jay and Vijay, entered into partnership for supplying laboratory equipments to government schools situated in remote and backwards areas. They contributed capitals of ₹ 80,000 and ₹ 50000 respectively and agreed to share the profits in the ratio of 3:2. The partnership deed provided that interest on capital shall be allowed at 9% p.a. During the year, the firm earned a profit of ₹ 7,800. Showing your calculations clearly, prepare 'Profit and Loss Appropriation Account' of Jay and Vijay for the year ended 31-3-2022.	**3**
12	Zee and Vee are partners in a firm. Their capital accounts showed the balance on 1st April, 2017 as ₹ 20,000 and ₹ 15,000 respectively. During the year 2017-	**3**

18, Zee introduced additional capital of ₹ 10,000 on August 1, 2017 and Vee introduced ₹ 15,000 on 1st October, 2017. Interest on capital is allowed @ 6% p.a. on the capital. Calculate interest on capital of each partner

The average profit earned by a firm is Rs. 80,000 which includes under valuation of stock of Rs. 8,000 on an average basis. The capital invested in the business is Rs. 8,00,000 and the normal rate of return is 8%. Calculate goodwill of the firm on the basis of 7 times the super profit.

13 A, B and C are partners sharing profits in the ratio of 5:4:1. C is given a guarantee that his share of profits in any given year would be ₹ 5,000. Deficiency if any, would be borne by A and B equally. The profit for the year ended 31st March, 2016 amounted to ₹ 40,000. Pass necessary entries in the books of the firm. **4**

14 The partners of a firm , Alia, Bhanu and Chandu distributed the profits for the year ended 31st March, 2017, ₹ 80,000 in the ratio of 3:3:2 without providing for the following adjustments: **4**

(i) Alia and Chandu were entitled to a salary of ₹ 1,500 each p.m.
(ii) Bhanu was entitled for a salary of ₹ 4,000 p.a.

Pass the necessary Journal entry for the above adjustments in the books of the firm.

PART- IV

15 Moli, Bhola and Raj were partners in a firm haring profits and losses in the ratio of 3:3:4. Their partnership deed provided for the following; **8**

(i) Interest on capital @ 5% p.a.
(ii) Interest on Drawing @ 12% p.a.
(iii) Interest on partner's loan @ 6% p.a.
(iv) Moli was allowed an annual salary of ₹ 4,000; Bhola was allowed a commission of 10% of net profit as shown by Profit and Loss Account and Raj was guaranteed a profit of ₹ 1,50,000 after making all the adjustments as provided in the partnership agreement.
(v) Their fixed capitals were Moli: ₹ 5,00,000; Bhola: ₹ 8,00,000 and Raj: ₹ 4,00,000. On 1st April, 2016 Bhola extended a loan of ₹ 1,00,000 to the firm. The net profit of the firm for the year ended 31st March, 2017 before interest on Bhola's loan was ₹ 3,06,000.

Prepare Profit and Loss Appropriation account of Moli, Bhola and Raj for the year ended 31st March, 2017 and their Current Accounts assuming that Bhola withdrew ₹ 5,000 at the end o each month. Moli withdrew ₹ 10,000 at the end of each quarter and Raj withdrew ₹ 40,000 at the end of each half year.

16 On March 31st ,2014, the balances in the capitals accounts of Ekta, Ankit and Chahat after making adjustments for profits and drawings were ₹ 1,50,000; ₹ 2,10,000 and ₹ 2,70,000 respectively. Subsequently, it was discovered that the interest on capital and drawings had been omitted. **8**

(i) The profit for the year ended 31st March, 2014 was ₹ 1,20,000.
(ii) During the year Ekta withdrew ₹ 24,000 and Ankit and Chahat each withdrew a sum of ₹ 24,000 in equal instalments in the middle of each quarter.
(iii) The interest on drawing is to be charged @ 5% p.a. and interest on capital is to be allowed @10% p.a.
(iv) The profit sharing ratio among the partners was 1:2:3.

(v) Showing your working notes clearly, pass the necessary rectifying entry.

17. Vidit and Seema were partners in a firm sharing profits and losses in the ratio of 3: 2. Their capitals were ₹ 1,20,000 and ₹2,40,000, respectively. They were entitled to interest on capitals @ 10% p.a. The firm earned a profit of ₹ 18,000 during the year. Calculate the amount of interest on Partners' capitals to be shown in P& L Appropriation A/c. 2

18. The capital accounts of Alka and Archana showed credit balances of ₹ 4,00,000 and ₹ 3,00,000 respectively, after taking into account drawings and net profit of ₹ 2,00,000. The drawings of the partners during the year 2018 -19 were:

(i) Alka withdrew ₹ 10,000 at the end of each quarter.

(ii) Archana's drawings were:	₹
31st May, 2018	8,000
1st November, 2018	7,000
1st February, 2019	5,000

Calculate interest on partners' drawings @ 6% p.a. for the year ended 31st March, 2019. 2

19. E, F and G are partners sharing profits in the ratio of 3:3:2. As per the partnership agreement, G is to get a minimum amount of Rs.80,000 as his share of profits every year and any deficiency on this account is to be personally borne by E. The net profit for the year ended 31st March, 2020 amounted to Rs. 3,12 ,000. Calculate the amount of deficiency to be borne by E? 2

20. Arun, Shobha and Yuvraj were partners in a firm. On 1st April, 2018 their Fixed Capitals Stood at ₹ 1,00,000, ₹50,000 and ₹ 50,000 respectively. As per the provisions of partnership deed,

(i) Partners were entitled to an annual salary of ₹ 20,000 each.

(ii) Interest on Capital @ 10% p.a. was to be provided.

(iii) Profits were to be shared in the ratio 3: 1: 1. Net profit for the year ended 31st March, 2019 was ₹ 90,000.

Pass Journal Entries for the above in the books of the firm. 3

21. Ram, Mohan and Sohan were partners sharing profits in the ratio of 2: 1: 1. Ram withdrew ₹ 3,000 every month and Mohan withdrew Rs 4,000 every month. Interest on drawings @ 6% p.a. was charged, whereas the partnership deed was silent about interest on drawings. Showing your working clearly, pass the necessary adjustment entry to rectify the error. 3

22. E, F and G were partners in a firm sharing profits in the ratio of 3:3:4. Their Fixed capitals were **₹ 3,00,000, ₹ 4,00,000 and ₹ 5,00,000 respectively. The partnership deed provided for allowing interest on capital @ 12% p.a. even if it results into a loss to the firm. The net profit of the firm for the year ended 31st March, 2021 was ₹ 1,10,000.**

Pass necessary journal entries for allowing interest on capital and division of profit/loss in the books of the firm. 3

23. Puneet and Akshara were partners in a firm sharing profits and losses in the ratio of 2:3. The following was the balance sheet of the firm as on 31st March, 2019.

Balance sheet of Puneet and Akshara as on 31st March, 2019.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capitals: Puneet 90,000 Akshara 1,10,000	2,00,000	Sundry Assets	2,00,000
	2,00,000		2,00,000

The profits ₹40,000 for the year ended 31st March, 2019 were divided between the partners without allowing interest on capital @ 5% p.a. and commission to Akshara @ ₹ 1,000 per quarter.
The drawings of the partners during the year were:
Puneet ₹2,500 per month.
Akshara ₹ 10,000 per quarter.
Showing your workings clearly, pass necessary adjustment entry in the books of the firm. 5

24. Yadu, Vidu and Radhu were partners in a firm sharing profits in the ratio of 4: 3: 3. Their fixed capitals on 1st April, 2018 were ₹ 9,00,000, ₹ 5,00,000 and ₹ 4,00,000 respectively. On 1st November, 2018, Yadu gave a loan of ₹ 80,000 to the firm. As per the partnership agreement:
(i) The partners were entitled to an interest on capital @ 6% p.a.
(ii) Interest on partners' drawings was to be charged @ 8% p.a.
The firm earned profits of ₹ 2,53,000 (after interest on Yadu's loan) during the year 2021-22. Partners' drawings for the year amounted to Yadu: ₹ 80,000, Vidu: ₹ 70,000 and Radhu: ₹ 50,000.
Prepare Profit and Loss Appropriation Account for the year ending 31st March, 2022. 5

Radhika, Bani and Chitra were partners in a firm sharing profits and losses in the ratioof 2:3:1. With effect from 1st April,2018 they decided to share future profits and losses in the ratio of 3:2:1. On that date their Balance sheet showed a debit balance of Rs.24,000 in profit and loss and a balance of Rs. 1,44,000 in general reserve.
It was also agreed that:
(a) The goodwill of the firm be valued at Rs. 1,80,000.
(b) The Land (having book value of Rs. 3,00,000) will be valued at Rs. 4,80,000.
Pass the necessary journal entries for the above changes.