★ Code : VC-D-110912-SYBAF-FA-II-III Sem. Sept. 2012-2Hrs-60 Mks (3 X 180)

NOTE : All questions to be of 15 marks each
Question paper should be of 60 marks and 2 hours duration.

Q.1 The following is the balance sheet of Ram and Laxman sharing profits in the ratio of 3: 2 as on 31st March, 2012.

Balance Sheet as on 31st March, 2012

Liabilities	Rs.	Assets	Rs.
Capital Accounts:		Building	108,000
Ram	120,000	Plant & Machinery	90,000
Laxman	150,000	Stock In Hand	72,000
Creditors	90,000	Debtors 63000	
Bills Payable	15,000	(-) R.D.D. 3000	60,000
		Cash In Hand	30,000
		Furniture	15,000
	3,75,000		3,75,000

On this date Bharat is admitted on the following terms:

1) He is to pay Rs. 150,000 as his Capital and Rs. 60,000 as his share of goodwill.
2) The new profit sharing ratio is to be 5: 3: 2.
3) The assets of the firm were to be revalued as follows:
   Plant & Machinery- Rs. 72,000,
   Building – Rs. 150,000.
4) R.D.D to be increased up to Rs. 6,000.
5) The old partners decided to retain half the amount of goodwill in the business.
6) Creditors should be revalued at Rs. 99,000.

You are required to prepare all Accounts.

Q.2 A) State whether the following statements are True or False

1. Goodwill is fictitious assets.
2. the share of the retiring partner is called the sacrifice ratio.
3. A firm is dissolved when all partners give consent to it.
4. In excess capital method the minimum capital is equal to the lowest unit capital.
5. Interest in drawing is an income to the partnership firm.

B) Fill in the gaps.

1. The revaluation account is also called as __________ Account.
2. Gain Ratio = __________ Ratio Less Old Ratio.
3. __________ means winding up of partnership firm.
4. Realization of assets in installments and payment to creditors in installments called as __________.
5. Goodwill is an __________ assets.

C) Match the columns

A	B
1. Profit & Loss Suspense A/C	a. Gain Ratio
2. Credit balance of Revaluation A/C	b. old Ratio
3. Goodwill of firm raised	c. Profit
4. Gain Ratio	d. New Ratio
5. Goodwill of only deceased share to be written off.	e. Sacrifice Ratio
	f. Balance sheet assets side
	g. Increase in proportion of continuing partners

P.T.O.

Q.3 Amar, Akbar & Anthony are partners sharing profits & losses 3:2:1. Their partnership was dissolved on 30th June,2012; on which date their balance sheet was as under :

Balance sheet

Liabilities		Amount	Assets	Amount
Capitals :			Cash	8,000
Amar	40,000		Debtors	84,000
Akbar	20,000		Stock	32,000
Anthony	4,000	64,000		
Loans:				
Amar	12,000			
Akbar	8,000	20,000		
Creditors		40,000		
		1,24,000		1,24,000

It was agreed that cash should be immediately utilized & thereafter the net realization should be distributed in their due order at the end of each month by following Excess Capital Method :

The net realization were as under:

15th July,2012	22,000
20th August,2012	21,000
6th sept,2012	32,000
17th Oct,2012	21,200
30th Nov,2012	9,000

Prepare necessary statement of distribution.

OR

Q.4 Ajay , Vijay and Sanjay are partners. They share profits and losses equally. Their Balance sheet as on 31st March , 2011 was as follows:

Balance sheet as on 31/03/2011

Liabilities	Rs.	Assets		Rs.
Creditors	15000	Machinery		25000
Reserve fund	9000	Stock		15000
Bills payable	5000	Debtors	11000	
Capital accounts :		Less : R.D.D.	1000	10000
Ajay	25000	Bills Receivable		9000
Vijay	15000	Sanjay's capital		5000
		Cash at Bank		5000
	69000			69000

On the above date it was decided to dissolve the firm.

1. The assets realized were as follows:
   Stock – Rs. 12,500 , Machinery – Rs. 15,000 , Debtors – Rs. 8000 and Bills receivable – Rs. 7,200.
2. Creditors were paid at a discount of 2 % and Bills payable were paid in full.
3. Realization expenses amounted to Rs. 2,500.
4. Sanjay was declared insolvent and 50 paisa in a rupee could be recovered from his Private estate. Prepare Realization A/C, Partners Capital A/C and Bank Account.

---3

Q.5 a) What is partnership deed?
b) Why a new partner is admitted ?
c) What is insolvency of a partner ?

OR

Q.6 The partnership deed of X, Y, & Z provides the following:

1. Y & Z to be entiled to a salary of Rs. 6,000 & Rs. 4,200 P.a. Respectively.
2. 10% Interest on Capital Accounts
3. Balance of Profits to be shared Equally.
4. On Retirement of a partner, deferred revenue expenses are to be written off in equally.

X retires from the partnership as on 31st December, 2007 & you are asked to prepare a Balance sheet as at 31st December, 2007 showing the amount payable to X on retirement from the following Trial Balance and also Prepare P&L Appropriation A/c & Partners Current A/c.

Trial Balance

Particulars	Rs	Particulars	Rs
Y Current A/c	4,000	X Capital A/c	50,000
Z Current A/c	3,000	Y Capital A/c	10,000
Deffered Revenue Expenses	6,500	Z Capital A/c	5,000
Bad Debts	1,000	Sundry Creditors	17,500
Depreciation	500	Gross Profit	52,000
Office Expenses	7,000		
Salaries	8,000		
Cash/Bank	11,000		
Sundry Debtors	35,000		
Stock of Goods	15,000		
Premises	37,500		
Furniture & Fixtures	6,000		
Total	1,34,500	Total	1,34,500