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		AND THE RESIDENCE OF THE PARTY	11/1

Rs.800 regularly at the beginning of Every month during, the year. calculate interest on their drawings at 10% P.A.

- 14. What is Sacrifice Ratio?
- 15. Mahendran and Narasimhan are partners of a firm sharing profit and Loss in the ratio of 5:4 on 31.03.2005 the firm's books shows a Reserve Fund Rs.36,000. They decided to admit Aparajitha on 1st April 2005. For 1/3 rd Share. Pass Entry.
- 16. Goodwill is to be Valued at three years purchase of Five years of the firm were.

2000 - Rs. 4,200

2001 - Rs. 4,500

2002 - Rs. 4;700

2003 - Rs. 4,600

2004 - Rs. 5,000

## Part - III

## Note: Answer any 4 questions in which Q.NO. 17 is compulsory.

4X3=12

- 17. Manjula and Vennila started business on 1st April 2004 with Capital of Rs.60,000 and Rs.50,000 respectively. On 1st July 2004 Manjula withdrew Rs.8000 from his Capital. Vennila introduced additional capital Rs.10,000 on 30.9.2004. calculate Interest On Capital at 5% for the year ending 31st March 2005.
- 18. P and Q are partners sharing profits in the ratio of 3:2. They admit R For 1/5th share which acquires Equally from P and Q. Calculate New profit sharing ratio and Sacrificing ratio of old Partners.
- 19. Give a Journal Entry for following Transactions:
  - a) To bring into record investment of Rs.18,000 Which had not, so far been recorded in the books of the Firm.
  - b) To Depreciate stock, Furniture and Machinery by Rs.18,000, Rs.6000 and Rs.30,000 Respectively.
  - c) To Provide for workmen's Compensation of Rs.24,000
- 20. The Average net profits of the firm expected in the future are Rs. 54.000 per year. The Average Capital Employed in the business is Rs.3,00,000. The rate of interest expected from capital invested in the business is 10%. The remuneration of the partners is estimated to be Rs. 9000 per annum. Find out the value of goodwill on the basis of two years purchase of super profits.
- 21. What are the Factors affecting goodwill? [Any 5 point]
- 22. How can a Partner Retire from the Firm?

## PART - IV

## Note:- Answer for all the questions.

3X5 = 15

23. What are the differences between fixed capital Account and Fluctuating capital Account.

24. Ananthi and Aravind are partners with Eapital of Re. Land and Sun Japan. Ananthi and Aravind are party and the frading profit for the season party and the part March, 2005 was Rs. 60,000. Interest on Eapital is to be year and the March, 2005 was Rs. 60,000. Interest on Eapital is to be year and the second of the se annum. Aravind entitled to a salary of his 15,000 p.s. The landing of the salary of his 15,000 p.s. The landing of the partners were Ananthi Rs. 15,000 and Araying Rs. 10,000. The beauties on Graying ings are Ananthi Rs, 500 and Aravind Rs, 250. Assuming that Assuming the Assuming the Assuming that Assuming the Assuming are Equal partners. Prepare the Profit and Loss Appropriation Account and the Capital Accounts as on 31st March 2005.

[Or]

Show How the following Items will appear in the Capital A/c of the pansass. Ramu and Somu, When their capitals are a) Fluctuating and b) Fixed

Particulars	Ramu	Somu
Capital on 1.4.2004	Rs.90,000	Rs.60,000
Drawing during 2004 - 2005	Rs.18,000	Rs.15,000
Interest on Drawing	Rs. 500	Rs. 300
Share of profit 2004 - 2005	Rs.12,000	Rs. 8,000
Interest on Capital	Rs. 5,400	Rs. 3,600
Partner's Salary	Rs. 6,000	

25. The following is the Balance sheet of CHANDRU, And ARUMUGAM Sharing Profits 3:2, as on 31.03.2005.

Profits 3:2, as on 31	.03.200			Rs.
Liabilities		Rs.	Assets	
Sundry Creditors		1,60,000	Bank	20,000
		40.000	Land and Building	1,40,000
Bills Payable Capital accounts:			Plant and Machinery	tores
80,000 CHANDRU	80,000		Stock	40,000
CHARLE	50,000	1 40 000	Sundry Debtors	60,000
ARUMUGAM (	0,000	3,40,000		3,40,000

On 1.4.2005 they dedicated to admit Saravanan in to the Partnership on the following terms.

- a. Saravanan shall bring in a Capital Rs.60,000
- b. Goodwill of the firm being valued at Rs.40,000
- c. Land and Buildings be appreciate by 10%
- d. Stock be depreciated by Rs.6000 and Provision for Outstanding Liabilities be created at Rs.4000.

Prepare the Revaluation account, Capital account Bank account and the Ralance Sheet of the Reconstituted Partnership.

Lalitha, Jothi and Kanaga were Partners of a firm Sharing profit and Losses in the Ratio 3:2:3, set out below was their Balance sheet as on 31.3.2003 750 Liabilities Cash in Hand 2,04,500 62,500 **Sundry Creditors** Cash at Bank 89,000 32,000 Bills Payable Sundry Debtors 1,11,500 Capital:-Stock 17,500 Lalitha 2,00,000 Furniture 48,750 Jothi 1,25,000 Plant & Machinery 1,20,000 4,75,000 Kanaga 1,50,000 Building 22,000 Profit and Loss A/C 500 5,92,000 **Outstanding Expenses** 5,92,000

Lalitha retired from the partnership on 1st April 2004 on the following terms Goodwill of the firm was to be valued at Rs.30,000

1. The assets are to be valued as under:-2.

Rs. 1,00,000 Stock Rs. 15,000 Furniture Plant and Machinery Rs. 45,000

Rs. 1,00,000 Building

A provision for Doubtful debts be created at Rs. 4250 3.

Lalitha was to be paid off immediately. you have prepare only Revaluation 4. Account and Partner's Capital Account.