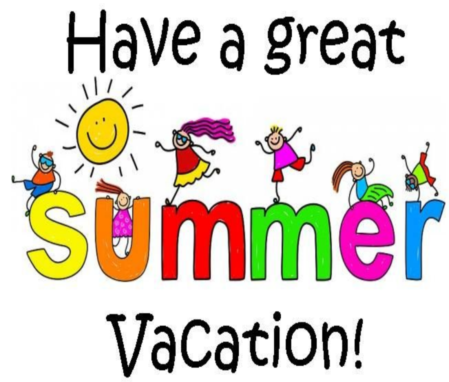
SHRI JAIN PUBLIC SCHOOL, BIKANER
HOLIDAY HOMEWORK
(2017–18)

CLASS – XII [COMM.]

FOLLOW YOUR DREAM

Follow your dream.
Take one step at a time and don't
settle for less,
Just continue to climb.
Follow your dream.
If you stumble, don't stop and lose
sight of your goal
Press to the top.
For only on top can we see the whole view
Can we see what we've done and
what we can do;
Can we then have the vision to seek
something new,
Press on.
Follow your dream



Summer Vacation is synonymous with fun, frolic, getting up late in the morning, playing for longer hours with friends, going for picnics, exploring new places and watching fun filled shows on television. But dear children, there is a lot more you can do to make your vacations more interesting, meaningful and full of fun. It will surely prepare you for a better and more fruitful year ahead.

We have planned some interesting activities for you. So get ready to enjoy your summer vacation!

Note:–

1. Read newspaper and listen to news-headlines to keep yourself updated.
2. Stay indoors in the afternoon.
3. Help your parents in household chores.
4. Go for morning and evening walk.
5. Be motivated as you go through the poem "***FOLLOW YOUR DREAM***..

- All the Assignments for Summer Holidays should be done in Class work copy of the respective subject.
- Written work should be done with neat and clean handwriting.

BUSINESS STUDIES

- Write and learn the glimpses of chapters 1 and 2.

INFORMATICS PRACTICES

- Write and learn the questions answers of Chapter 3 JAVA GUI Programming Revision Tour 1.

ACCOUNTANCY

- Do the **WORKSHEETS 1 & 2** given at the end.

ECONOMICS

- Make new blank copy [without living] and practice all diagrams. Following topic:
  (i) Law of Demand
  (ii) Elasticity of Demand
  (iii) Cardinal Analysis
  (iv) Ordinal Analysis
- **Practice the Worksheet** given at the end.

LEARN TO BE RESPONSIBLE AND DEVELOP PERSONAL SKILLS:

- Take up one task everyday and figure out how you will complete this task. For example
- Keep things in their proper places so as to keep your bedroom clean
- Help your mother in laundary
- Water the plants.
- Dust and clean your room.
- Look after your younger brother or sister
- Set the dining table for your family
- Feed your pet if you have one

DEVELOP SOME SOCIAL SKILL:

- Give respect to the elders and love to the young ones.
- Four magic words that are basics of good manners– Please, Thank you, Excuse me and Sorry. Make these four words a habit and see the difference.
- Wish and welcome the guests
- Converse with your grandparents
- Go for a heritage walk

DEVELOP PERSONAL HYGIENE:

- Keep your surroundings clean
- Trim your nails once a week
- Early to bed, early to rise, Plenty of sleep helps you concentrate.
- Wash your hands before and after meals.
- Wash your hair and keep it neat by combing
- Bath or shower daily. Wash hands after using the toilet.
- Eat a healthy and balanced diet.

SHRI JAIN PUBLIC SCHOOL

Class -XII

MISCELLENEOUS QUESTIONS **Sub- Accountancy** **WORKSHEET-1**

Q.1 (Partnership Deed) Ravi and Sonu are partners in a firm. They do not have partnership deed. Ravi presents the following Profit and Loss Appropriation Account to his partner Sonu:

PROFIT AND LOSS APPROPRIATION ACCOUNT
for the year ending 31st March, 2014

Dr Cr

Particulars	Amt. (₹)	Particulars	Amt. (₹)
To Salary A/c Ravi	 4,000	By Net Profit (as per Profit and Loss A/c)	35,000
To interest on Ravi's Loan (10% of ₹20,000)	2,000		
To interest on Capital Ravi (₹30,000x6%) 1,800 Sonu (₹20,000x6%) 1,200	 3,000		
To Profit transferred to: (3:2) Ravi's Capital A/c 15,600 Sonu's Capital A/c 10,400	 26,000		
	35,000		35,000

Sonu feels that Ravi has contravened the provisions of law. Prepare the revised Profit and Los Appropriation Account on proper lines.

Q.2 Ram and Mohan are partners in a firm. They admitted Rakhi as a partner without capital for 1/3rd share in the profit of the firm. She is blind by birth but having good management qualities. The new partnership agreement provides for the following:

(i) 10% of the trading profit will be donated to Prime Minister's Relief Fund.

(ii) 5% of the trading profit will be donated to the National Blind Relief Fund.

(iii) Products will be sold at a discount of 15% on Maximum Retail Price to the people living below poverty line.

(iv) New retail shops will be opened in the Naxal affected areas of the country.

(v) New jobs of sales persons will be reserved for the girls belonging to Scheduled Castes and Scheduled Tribes.

Trading profit of the firm for the year ended 31st March, 2012 was 10,00,000, identify any four considered by Ram, Mohan and Rakhi while preparing the new partnership deed and also prepare 'Profit and Loss Appropriation Account' of Ram, Mohan and Rakhi for the year ended 31st March, 2012.

Q.3 (Appropriations are more than available profits). A and B are partners sharing profits and losses in the ratio of 3:2. Their capitals are ₹5,00,000 and ₹1,00,000 respectively. A is entitled to interest on capital @ 10% p.a. and B is entitled to salary @ ₹5,000 per month. The net profit before providing for interest on capital and partner's salary for the year ended 31st December 2014 was ₹77,000. Show the distribution of profits.

Q.4 During the year ended 31st December 2014, Ravi, a partner made the following drawings; January 31: ₹5,000; April 1: ₹7,000 July 31: ₹8,000. Calculate interest on drawings when it is charged @ 10%

Q.5 (Calculation of Opening capital) From the following Balance Sheet of X and Y, calculate interest on capital @ 10% p.a. for the year ended 31st December 2014;

Liabilities	Amt. (₹)	Assets	Amt. (₹)
X's Capital	2,60,000	Sundry Assets	4,10,000
Y's Capital	1,30,000	X's Drawings	10,000
Profit and Loss Appropriation A/c (2014)	30,000		
	4,20,000		4,20,000

During the year, X's drawings were ₹10,000 and Y's drawings were ₹20,000. Profit during the year was ₹60,000.

Q.6 (Calculation of Opening capital) Following is the Balance Sheet of A and B as at 31st December 2014.

Liabilities	Amt. (₹)	Assets	Amt. (₹)
A's Capital	2,00,000	Sundry Assets	3,70,000
B's Capital	1,00,000	A's Drawings	20,000
Reserve fund	40,000		
Profit and Loss Appropriation A/c (2014)	50,000		
	3,90,000		3,90,000

During the year, A's drawings were ₹35,000 and B's drawings were ₹30,000. Profits during the year was ₹1,70,000. Out of the profits, ₹40,000 have been transferred to reserve fund for future. Calculate interest on capital @ 10% p.a. for 2014.

Q.7 (Commission) X and Y are partners sharing profits and losses in the ratio of 2:1. They had capitals of ₹3,00,000 and ₹2,00,000 respectively.

Both the partners are entitled to interest on capitals @ 5%

- Y is entitled to salary of ₹1,500 per month.
- X is entitled for commission @ 10% on net profits after charging Y's salary and interest on capitals, but before his own commission.
- Y is entitled for commission @ 10% on net distributable profits after charging his own commission.

The profit earned for the year ended 31.03.14 is ₹98,000. Prepare Profit and Loss Appropriation Account.

Q.8 (Comprehensive Q. on Distribution of profits) A and B are partner sharing profits and losses equally. The firm earned a profit of ₹2,70,000 for the year ended 31.3.12. A and B had capitals of ₹3,00,000 and ₹2,00,000 respectively. Current Accounts Balances on April 1, 2011; A ₹20,000 (Cr); ₹10,000 (Cr). Their deed provides that:

(a) A and B withdrew ₹20,000 and ₹30,000 respectively during the year.

(b) Interest on capital is to be allowed @ 5% p.a.

(c) Interest on drawing is to be charged @ 6%

(d) A is entitled for commission @ 10% on net profits after charging B's salary, interest on capitals and his own commission.

(e) B is entitled to salary of ₹25,000

Prepare Profit and Loss Appropriation Account and partners' Current and Capital A/c for the year ended 31st March 2012.

Q.9 (Comprehensive Q. on Distribution of profits) Satnam and Qureshi after doing their MBA decided to start a partnership firm to manufacture ISI marked electronic goods for economically weaker section of the society. Satnam also expressed his willingness to admit Juliee as a partner without capital who is specially abled but a very creative and intelligent friend of him. Qureshi agreed to this. They formed a partnership on 1st April 2012 on the following terms.

(i) Satnam will contribute ₹4,00,000 and Qureshi will contribute ₹2,00,000 as capitals.

(ii) Satnam, Qureshi and Juliee will share profits in the ratio of 2:2:1.

(iii) INterest on capital will be allowed @ 6% p.a.

Due to shortage of capital Satnam contributed ₹50,000 on 30th September, 2012 and Qureshi contributed ₹20,000 on 1st January 2013 as additional capitals. The profit of the firm for the year ended 31st March, 2013 was ₹3,37,800.

(a) Identify any two values which the firm wants to communicate to the society.

(b) Prepare Profit and Loss Appropriation Account for the year ending 31st March 2013.

Q.10 (Comprehensive Q. on Distribution of profits) X and Y started a partnership business on 1st April, 2013 with capitals of ₹2,00,000 and ₹1,00,000 respectively. During the year, X withdrew ₹1,000 at the beginning of every month and Y withdrew ₹2,000 at the end of every month. The terms of partnership deed are:

(a) Interest on Capital @ 12% p.a. and interest is to be charged on drawings @ 6% p.a.

(b) X is to get a monthly salary of ₹2500.

(c) Y is entitled to a commission @ 10% on net profits after charging X's salary and his own commission.

(d) 20% of the net distributable profits to be transferred to General Reserve.

(e) Sharing of profit or loss will be in the ratio of their Capital Contribution.

The profit before making above appropriations was ₹3,60,000. Prepare Profit and Loss Appropriation Account and Partners' Capital Accounts for the year ended 31st March, 2014.

Q.11 (Comprehensive Q. on Distribution of profits) Soniya, Charu and Smita started a partnership firm on April 1, 2006. They contributed ₹5,00,000, ₹4,00,000 and ₹3,00,000 respectively as their capitals and decided to share profits and losses in the ratio of 3:2:1. The partnership provides that Soniya is to be paid a salary of ₹10,000 per month and Charu a commission of ₹50,000. It also provides that interest on capital be allowed @ 6% p.a. The drawings for the year were Soniya ₹60,000, Charu ₹40,000 and Smita ₹20,000. Interest on drawings was charged as ₹2700 as Soniya's drawings, ₹1800 on Charu's drawings and ₹900 on Smita's drawings. The net amount of profit as per Profit and Loss Account for the year 2006-07 was ₹3,56,600.

(i) Record necessary journal entries.

(ii) Prepare profit and loss appropriation account

(iii) Show capital accounts of the partners.

Q.12 (Omission of interest on capital for three years) Anju, Manju and Mamta are partners whose fixed capitals were ₹10,000, ₹8,000 and ₹6,000, respectively. As per the partnership agreement, there is a provision for allowing interest on capitals @ 5% p.a.

but entries for the same have not been made for the last three years. The profit sharing ratio during three years remained as follows:

Year	Anju	Manju	Mamta
2004	4	3	5
2005	3	2	1
2006	1	1	1

Make necessary adjustment entry at the beginning of the fourth year i.e. January 2007.

Q.13 (Distribution of Profits in wrong ratio) Mona, Nisha and Priyanka are partners in a firm. They contributed ₹50,000 each as capital three years ago. At that time, Priyanka agreed to look after the business as Mona and Nisha were busy. The profits for the past three years were ₹15,000, ₹25,000 and ₹50,000 respectively. While going through the books of accounts, Mona noticed that the profit had been distributed in the ratio of 1:1:2. When she enquired from Priyanka about this, Priyanka answered that since she looked after the business, so she should get more profit. Mona disagreed and it was decided to distribute profit equally retrospectively for the last three years.

(a) You are required to make necessary corrections in the books of accounts of Mona, Nisha and Priyanka by passing an adjustment entry.

(b) Identify the value which was not practiced by Priyanka while distributing profits.

Q.14 (NCERT) Mannu and Shrishti are partners in a firm sharing profit in the ratio of 3:2. Following is the balance sheet of the firm as on March 31st, 2006.

Liabilities		Amt (₹)	Assets		Amt(₹)
Capital A/cs'			Drawings		
Mannu	30,000		Mannu	4,000	
Shrishti	10,000	40,000	Shrishti	2,000	6,000
			Other Assets		34,000
		40,000			40,000

Profit for the year ended March 31st, 2006 was ₹5,000 which was divided in the agreed ratio, but interest @ 5% p.a. on capital and @ 6% p.a. on drawings was inadvertently omitted. Adjust interest on drawings on an average basis for 6 months. Give the adjustment entry.

Q.15 (Manager treated as a partner) X and Y are partner sharing profit and losses in the ratio of 2:1. On 31st March, 2014 (after division of the year's profit), they decided to take their Manager Z into partnership, with effect from 1st April 2011. As a manager, Z was getting montly salary of ₹1500 and Z had also advanced ₹2,00,000 to the firm by way of a loan on which he is getting interest @ 12% p.a.

During the three financial years, firm's profits after adjusting salary to Z, interst on loan and interest on capital of the partners were:

Year Ended	***Profits and Losses (₹)***
31st March 2012	3,00,000 (Profit)
31st March, 2013	1,00,000 (Loss)
31st March, 2014	4,00,000 (Profit)

As per the new agreement:

- Z is to be given 1/4th share in the profits; and
- Z will be entitled to annual salary of 40,000 and

- Z's loan shall be treated as his capital carrying interest at 6% per annum the capitals of other partners.

Record the necessary entries to give effect to the above arrangement. (Note: Interest on Capital is to be allowed as a charge)

Q.16 (Manager treated as a partner) Ram and Shyam are partners sharing profits and losses in the ratio of 3:1. They agreed to admit their manager, Hari as a partner with effect from 1st January 2014 for 1/4th share in of profit. Hari has deposited ₹30,000 as security. He was getting a salary of ₹24,000 per annum and a commission of 10% on the net profit after charging his salary and commission.

As per partnership deed, the security deposited by Hari is to be treated as his share of capital. Any excess amount which Hari will get as a partner over the receipt as a manager would be borne by Ram and Shyam in the ratio of 3:2. Profit for the year 2014 was ₹2,00,000 before payment of salary and commission to Hari. Prepare Profit and Loss Appropriation Account of the firm during 2014.

Q.17 (Manager treated as a partner) A and B are in partnership sharing profits and losses in the ratio of 4:1. They decided to admit C, their manager, as a partner with effect from 1st January, 2014 for 1/8th share in profits. C, as a manager was getting salary of ₹9,600 per annum and commission of 5% of the net profits after charging such salary and commission.

In terms of the partnership deed, any excess amount which C will be entitled to receive as a partner over the amount which would have been due to him as a manager, would be personally borne by A out of his share of profit. Profit for the year ended 31st December, 2014, amounted to ₹1,35,600 before payment of salary and commission. Prepare Profit and Loss Appropriation Account of the firm during 2014.

Q.18 (Manager treated as a partner) Mollie, Ananya and Isha are partners in a CA firm, sharing profits and losses in the ratio of 2:2:1. All the partners have agreed to the following terms:

- Isha's share of profits is guaranteed to be not less than ₹25,000 p.a.
- Mollie gives a guarantee to the effect that the gross fee earned by her for the firm will not be less than the average gross fee earned by her during the preceding four years when she was carrying on the profession alone (the average of which works out at ₹40,000)

The profits earned by the firm for the year ended 31st March, 2014 are ₹70,000. The gross fees earned by Mollie for the firm is just ₹30,000. Prepare the Profit and Loss Appropriation Account, showing your working clearly.

Q.19 (Manager treated as a partner) A, B, C and D are partners having capitals of ₹2,00,000; ₹1,50,000, ₹1,00,000 and ₹50,000 respectively. They share profits and losses in the ratio of 3:2:2:1. They have agreed upon the following terms:

(i) Partners are entitled to interest on capital @ 8% p.a.

(ii) C will get salary @ ₹5,000 per month.

(iii) B's share of profits excluding interest on capital has been guaranteed to be not less than ₹2,60,000.

(iv) D's share of profits including interest on capital has been guaranteed by A to be not less than ₹1,10,000.

The profits for the year ended 31st March, 2014 were ₹9,00,000 before any appropriations. Prepare the Profit and Loss Appropriation Account.

Q.20 (Manager treated as a partner) A and B were partners sharing profits in the ratio of 3:2. Their capitals as on 1st January 2014 were ₹1,00,000 and ₹2,00,000 respectively. On 1st July 2014, they admitted C as a partner for 1/4th Share. C introduced ₹1,20,000 as capital and was given a guarantee that his share in firm's profit will not be less than ₹60,000 p.a. Profit for the year ended 31st December 2014 was ₹2,00,000 and 50% of this profit relate to first half of the year. Prepare Profit and Loss Appropriation Account.

Q.21 (Manager treated as a partner) X and Y were partners sharing profits in the ratio of 3:1. Their capitals as on 1st January 2014 were ₹3,00,000 and ₹2,00,000 respectively. On 1st April 2014, they admitted Z as a partner for 1/5th share. Z introduced ₹2,00,000 as capital and X personally guaranteed Z that his share of profits, after charging interest on capital @ 12% p.a., would not be less than ₹50,000 p.a. Profit for the year ended 31st December 2014 before interest on capital was ₹3,00,000 and 20% of this profit relates to first three months of the year. Prepare Profit and Loss Appropriation Account.

Q.22 (Manager treated as a partner) A, B and C entered into partnership on 1st July, 2013 to share profits and losses in the ratio of 3:2:1. A personally guaranteed that C's share of profit after charging interest on capital @ 6% p.a. would not be less than ₹18,000 p.a. The capital contribution were A ₹1,00,000; B ₹50,000 and C ₹50,000. The profits for the period ended 31st March, 2014 were ₹69,000. Show the distribution of profits.

Q.23 (Manager treated as a partner) A, B and C are partners having capital of ₹3,00,000, ₹2,00,000 and ₹1,00,000 respectively in a firm and sharing profits and losses in the ratio of 3:2:1, C is guaranteed a minimum profit of ₹30,000 p.a. The firm incurred a loss of ₹60,000 for the year ended 31st March, 2014. Prepare the necessary accounts for division of loss and giving effect to minimum guaranteed profit to C.

SHRI JAIN PUBLIC SCHOOL

Class -XII

Sub- Accountancy **WORKSHEET-2**

CBSE PAST EXAM QUESTIONS

Q.1 What is meant by Partnership?

Q.2 What is meant by 'Unlimited Liability of a partner"?

Q.3 Would a "Charitable dispensary" run by 8 members be deemed a partnership firm? Give reason in support of your answer.

Q.4 What is meant by Partnership Deed?

Q.5 State the provisions of Indian Partnership Act. 1932, regarding interest on partner's capital and interest on partner's loan when there is no Partnership Deed.

Q.6 State the provisions of Indian Partnership Act. regarding the payment of remuneration to a partner for the services rendered.

OR

In the absence of any provision in the Partnership Deed, at what rate is a working partner entitled for remuneration?

Q.7 A, B and C are partners and decided that no interest on drawings is to be charged to any partner. But after one year 'C' wants that interest on drawings should be charged to every partner. State how 'C' can do this.

Q.8 What advantages does a firm perceive in having a "Partnership Deed"?

Q.9 Can a partner be exempted from sharing the losses in a firm? If yes, under what circumstances?

Q.10 Do all firms need a Deed and registration?

Q.11 State the provisions of Partnership Act, 1932, in the absence of a Partnership Deed regarding (i) Interest on Partner's Drawings and (ii) Interest on Advances other than Capital.

Q.12 What share of profits would a "sleeping partner" who has contributed 75% of the Total Capital get in the absence of a Deed?

Q.13 Is a sleeping partner liable to the acts of other partners?

Q.14 A, B and C decided that interest on capital will be provided to each partner @ 5% p.a. But after one year, C wants that no interest on capital is to be provided to any partner. State how 'C' can do this?

Q.15 A Partnership Deed provides for payment of interest on capital but there was a loss instead of profit during the year 2010-2011. At what rate will the interest on capital be allowed?

Q.16 Give two circumstances in which the fixed capital of partners may change.

Q.17 How would you calculate interest on drawings of equal amounts drawn on the last day of every month?

Q.18 When is it that the Capital Account of a partner does not show a 'Debit Balance' in spite of regular and consistent losses year after year?

Q.19 How would you calculate interest on drawings on unequal amounts drawn at unequal intervals?

Q.20 Where would you record 'interest on drawings' when capital is fixed?

Q.21 Suresh and Ramesh are partners in a firm with a capital of ₹3,00,000 and ₹4,00,000 respectively. They do not have a partnership Deed. Ramesh wants to share the profits in the ratio of capitals. State with reason whether the claim is valid.

Q.22 Ram and Mohan are partners in a firm without any Partnership Deed. Their capitals are: Ram ₹8,00,000 and Mohan ₹6,00,000. Ram is an active partner and looks after the business. Ram wants that profit should be shared in proportion of capitals. State with reasons whether his claim is valid or not.

Q.23 The firm XYZ earned a profit of ₹2,75,000 during the year ended 31st March, 2009, 10% of this profit was to be transferred to General Reserve. Pass the necessary Journal entry for the same.

Q.24 Do all firms of business organisations prepare the Profit and Loss Appropriation Account?

Q.25 List any four essential elements of Partnership.

Q.26 State the main provision of the Partnership Act relating to accounting, if there is no Partnership Deed.

Q.27 List any four contents of a Partnership Deed.

Q.28 What is meant by Guarantee of Profit to a partner?

Q.29 Why is it necessary to have a Partnership Deed?

Q.30 Distinguish between Fixed Capital and Fluctuating Capital.

Q.31 Ram and Manohar are partners in a firm sharing profits and losses in the ratio of 7:3. According to the Partnership Deed. Ram was to be paid salary of ₹5,000 per month and Manohar was go get a honus of ₹40,000 p.a. Interest on capital was to be allowed @ 10% p.a. and interest on drawings was to be charged @ 8% p.a. Interest on Ram's drawings was ₹3,000 and on Manohar's drawings ₹2,000. Their fixed capitals were ₹4,00,000 and ₹1,50,000 respectively. The firm earned a profit of ₹2,50,000 for the year ended 31st march, 2004. Prepare the Profit and Loss Appropriation Account of Ram and Manohar.

Q.32 A and B start business on 1st July, 2004, each partner contributing ₹1,50,000 as his share of capital. Three months later, on 1st October, 2004, B makes an additional contribution of ₹1,00,000 which is treated as a loan. The profit for the period ended March 2005 was ₹85,000 before charging any interest. Both the partners were entitled to a salary of ₹3,000 each, per quarter. The partners had drawn ₹24,000 each on 1st January, 2005. Prepare the Profit and Loss Appropriation Account for the period ended 31st March 2005.

Q.33 A, B and C were partners in a firm having capitals of ₹60,000, ₹60,000 and ₹80,000 respectively. Their Current Account balances were A: ₹10,000; B ₹5,000 and C ₹2,000 (Dr.) According to the Partnership Deed, the partners were entitled to interest on capital @ 5% p.a. C being the working partner was also entitled to a salary of ₹6,000 p.a. The profits were to be divided as:

(i) The first ₹20,000 in proportion to their capitals.

(ii) Next ₹30,000 in the ratio of 5:3:2.

(iii) Remaining profits to be shared equally.

The firm made a profit of ₹1,56,000 before charging any of the above items. Prepare the Profit and Loss Appropriation Account and pass the necessary Journal entry for apportionment of profit.

Q.34 Sharma and Verma were partners in a firm sharing profits in the ratio of 4:1. Their capitals on 1st April, 2006 were: Sharms ₹5,00,000 and Verma ₹1,00,000. The Partnership Deed provided that Sharma will get a commission of 10% on the net profit after allowing a salary of ₹5,000 per month to Verma. The profit of the firm for the year ended 31st March, 2007 was ₹2,80,000.

Prepare the Profit and Loss Appropriation Account of Sharma and Verma for the year ended 31st March, 2007.

Q.35 G, H, and R were partners in a firm sharing profits in the ratio of 7:4:9. Their fixed capitals were G- ₹2,00,000, H- ₹75,000 and R- ₹3,50,000. Their Partnership Deed provided for the following:

(i) Interest on capital @ 9% p.a.

(ii) Salary of ₹6,000 per month to H.

(iii) Interest on drawing @ 6% p.a.

During the year ended 31st December, 2009, the firm earned a profit of ₹1,70,000. Interest on G's drawings was ₹750, on H's drawings ₹450 and on R's drawings ₹1,250. Prepare the Profit and Loss Appropriation Account for the year ended 31st December, 2009.

Q.36 D, E and F were partners in a firm sharing profits in the ratio of 5:7:8. Their fixed capitals were D-₹5,00,000; E- ₹7,00,000 and F-₹8,00,000. Their Partnership Deed provided for the following:

(i) Interest on Capital @ 10% p.a.

(ii) Salary of ₹10,000 per month of F.

(iii) Interest on drawings @ 12% p.a.

D withdrew ₹40,000 on 31st January, 2009; E withdrew ₹50,000 on 31st March, 2009 and F withdrew ₹30,000 on 31st December, 2009.

During the year ended 31st December 2009, The firm earned a profit of ₹3,50,000. Prepare the Profit and Loss Appropriation Account for the year ended 31st December 2009.

Q.37 L, M and N were partners in a firm sharing profits in the ratio of 3:4:5. Their fixed capitals were L -₹4,00,000; M- ₹5,00,000 and N-₹6,00,000 respectively. The Partnership Deed provided for the following:

(i) Interest on capital @ 6% p.a.

(ii) Salary of ₹30,000 p.a. to N.

(iii) Interest on partners' drawings will be charged @12% p.a. During the year ended 31st March 2009, the firm earned a profit of ₹2,70,000. L withdrew ₹10,000 on 1st April, 2008, M withdrew ₹12,000 on 30th September, 2008 and N withdrew ₹15,000 on 31st December, 2008.

Prepare the Profit and Loss Appropriation Account for the year ended 31st March, 2009.

Q.38 K and P were partners in a firm sharing profits in 4:3 ratio. Their capitals on 1st April, 2009 were: K ₹80,000 and P ₹60,000. The Partnership Deed provided as follows:

(i) Interest on capital and drawings will be allowed and charged @12% p.a. and 10% p.a. respectively.

(ii) K and P will be entitled to get monthly salary of ₹2,000 and ₹3,000 respectively.

The profits for the year ended 31st March, 2010 were ₹1,00,300.. The drawings of K and P were ₹40,000 and ₹50,000 respectively. Interest on K's drawings was ₹2,000 and on P's drawings ₹2,500.

Prepare the Profit and Loss Appropriation Account of K and P for the year ended 31st March, 2010 assuming that the capitals of the partners were fluctuating.

Q.39 Malti, Paro and Arti are partners in a firm having fixed capitals of ₹80,000, ₹40,000 and ₹50,000 respectively sharing profits as 7:6:4. The rate of interest on capital was agreed at 10% p.a. but was wrongly credited to them at 12% p.a. Give the necessary adjustment entry to adjust the balances of Partners' Capital Accounts.

Q.40 On 31st March, 2005, after the closing the books of accounts, the Capital Accounts of A, B and C stood at ₹24,000; ₹20,000 and ₹12,000 respectively. The profit for the year ₹36,000 was distributed equally. Subsequently, it was discovered that interest on capital @ 5% p.a. had been omitted. The profit-sharing ratio was 2:2:1. Pass an adjustment Journal entry.

Q.41 Ram and Shyam were partners in a firm sharing profits in the ratio of 3:5. Their fixed capitals were; Ram ₹5,00,000 and Shyam ₹9,00,000. After the accounts of the year had been closed, it was found that interest on capital @10% p.a. as provided in the partnership agreement has not been credited to the Capital Accounts of the Partners. Pass the necessary Journal entry to rectify the error.

Q.42 A , B and C are partners in a firm. On 1.4.2005, their capitals stood at ₹50,000, ₹25,000 and ₹25,000 respectively. As per the provisions of the Partnership Deed.

(i) C was entitled for a salary of ₹5,000 p.a.

(ii) Partners were entitled to interest on capital @ 5% p.a.

(iii) Profits were to be shared in the ratio of partners' capitals.

The net profit for the year 2005-06 of ₹33,000 was distributed equally without providing for the above terms.

Pass an adjustment entry in Journal to rectify the above error.

Q.43 Ravi and Mohan were partners in a firm sharing profits in the ratio of 7:5. Their respective fixed capitals were: Ravi- ₹10,00,000 and Mohan - ₹7,00,000. The Partnership Deed provided for the following:

(i) Interest on capital @ 12% p.a.

(ii) Ravi's salary ₹6,000 per month and Mohan's salary ₹60,000 per year.

The profit for the year ended 31.3.2007 was ₹5,04,000 which was distributed equally, without providing for the above. Pass an adjustment entry.

Q.44 Kumar and Raja were partners in a firm sharing profits in the ratio of 7:3. Their fixed capitals were: Kumar ₹9,00,000 and Raja ₹4,00,000. The Partnership Deed provided the following but the profit for the year was distributed without providing for:

(i) Interest on capital @ 9% p.a.

(ii) Kumar's salary ₹50,000 per year and Raja's salary ₹3,000 per month.

The profit for the year ended 31st March, 2007 was ₹2,78,000. Pass the adjustment entry.

Q.45 A, B and C were partners. Their capitals were ₹30,000, ₹20,000 and ₹10,000 respectively. According to the Partnership Deed, they were entitled to an interest on capital @ 5% p.a. In addition B was also entitled to draw a salary of ₹500 per month. C was entitled to a commission of 5% on the profits after charging and interest on capital, but before charging the salary payable to B. The net profits for the year were ₹30,000, distributed in the ratio of their capitals without providing for any of the above adjustments. The profits were to be shared in the ratio of 2:2:1. Pass the necessary adjustment entry showing the workings clearly.

Q.46 A, B and C were partners in a firm. Their capitals were A-₹30,000; B-₹20,000 and C-₹10,000 respectively. According to the partnership Deed, they were entitled to an interest on capital @ 5% p.a. In addition B was also entitled to draw a salary of ₹500 per month. C was entitled to a commission of 5% on the profits after charging the interest on capital, but before charging the salary payable to B. The net profits for the year were ₹30,000 distributed in the ratio of their capitals without providing for any of the above adjustments. The profits were to be shared in the ratio 2:1:2. Pass the necessary adjustment entry showing the workings clearly.

Q.47 A, B, C and D are partners sharing profits and losses in the ratio of 4:3:3:2. Their fixed capitals on 31st March, 2010 were ₹60,000, ₹90,000; ₹1,20,000 and ₹90,000. After preparing the final accounts for the year ended 31st March, 2010 it was discovered that interest on capital @12% p.a. was not allowed and interest on drawings amounted to ₹2,000; ₹2,500; ₹1,500 and ₹1,000 respectively was also not charged. Pass the necessary adjustment Journal entry showing your workings clearly.

Q.48 Ram and Shyam were partners in a firm. After crediting the profits of the year ₹2,00,000 in their Capital Accounts, the balances of their capitals were; Ram ₹4,00,000 and Shyam ₹3,00,000. During the year Ram withdrew ₹80,000 and Shyam ₹1,00,000. It was found that interest on capital and drawings @ 10% p.a. as provided in the partnership agreement had not been allowed and charged to the Partners' Capital Account. Pass the necessary adjustment entry.

Q.49 A, B and C are partners in a firm sharing profits in the ratio of 2:2:1. C is guaranteed a minimum amount of ₹10,000 as his share of profit every year. Deficiency, if any, on that account shall be borne by B. The profits for two years ended 31st March, 2003 and 31st March, 2004 were ₹50,000 and ₹60,000 respectively.

Prepare the Profit and Loss Appropriation Account for two years.

Q.50 The partners of a firm distributed the profits for the year ended 31st March, 2003, ₹90,000 in the ratio of 3:2:1 without providing for the following adjustments:

(i) A and C were entitled to a salary of ₹1,500 p.a.

(ii) B was entitled to a commission of ₹4,500.

(iii) B and C had guaranteed a minimum profit of ₹35,000 p.a. to A.

(iv) Profits were to be shared in the ratio of 3:3:2.

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

02:04:14 TEST – PAPER SET - C

UNIT – II DEMAND M.M= 10

1. As a result of rise in consumer's income, demand curve for coarse grain (inferior good): 1
   a. Shift to the left
   b. Shift to the right
   c. Parallel to the X-axis
   d. Parallel to the Y-axis
2. Which of the following pairs represent substitute good? 1
   a. Car and petrol
   b. Coffee and tea
   c. Bread and butter
   d. Vada and sambar
3. Shift in demand curve means: 1
   a. Fall in demand due to rise in own price of the commodity
   b. Rise in demand due to fall in own price of the commodity
   c. Change in demand due to factors other than change in own price of the commodity
   d. Change in the market supply
4. A good is inferior for one and at the same time, normal good for another consumer. Explain? (Value based) 3

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5. How is 'Law of Demand' derived from Utility analysis? 4

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21:04:14 TEST – PAPER SET – C

UNIT – II **Elasticity of Demand** **M.M =15**

1. If close substitute of a product are readily available in the market, its Ed will be …………… 1
   a. Greater than one
   b. Less than one
   c. Equal to one
   d. Infinite
2. If total expenditure does not change with change in the price of the commodity then, Ep will be ……………………… 1
   a. zero
   b. one
   c. greater than 1
   d. less than 1
3. Demand for car for a poor man is: 1
   a. inelastic
   b. relatively elastic
   c. perfectly inelastic
   d. infinite
4. Giving reasons state whether the following statements are true or false: 3
   a. Ep at a point when a straight line demand curve meets the X-axis is ∞
   ……………………………………………………………………………………………………
   ……………………………………………………………………………………………………
   b. The price of a good and TE on it by a household both rises by 5%, Ep = 1
   ……………………………………………………………………………………………………
   ……………………………………………………………………………………………………
   c. Demand for a good will be more elastic in the long run than in the short run ……………………………………………………………………………………………
   ……………………………………………………………………………………………………
5. When the price of a commodity falls from Rs.8 per unit to Rs.7 per unit, TE on it increases from Rs.200 to Rs.210. calculate Ed by % method? 3
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6. How does the nature of a commodity influence the Ep? 3
7. Prove will the help of a diagram, the various Ep as: (a) Ed = 1, (b) Ed > 1, (c) Ed = 0 3