

## SUMMER ASSIGNMENT (2018-19)

Solve the following worksheet of

- Chapter -1 (Accounting for partnership firms )
- Chapter-2(Goodwill)

### Worksheet –ACCOUNTANCY Chapter – 1 Accounting for Partnership Firms

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1. Prepare the Capital Accounts of partners ‘from the following particulars, using, (i) Fluctuating Capital (ii) Fixed Capital:

Transactions for the year 2017 are:

	Amit	Sumit
	(Rs.)	(Rs.)
Commenced business (1-1-2017)	60,000	40,000
Drawings	9,000	5,000
Interest on Capital	4,800	3,200
Interest on Drawing	900	500
Salary	5,000	–
Commission	–	4,000
Interest on Partners’ Loan	–	3,000
Profit share during 2017	6,000	6,000

2. X and Y are partners having capitals Rs. 1,00,000 and Rs. 80,000 respectively. Interest on capital is allowed @ 6% p.a. Their profit sharing ratio is 2:3. The profit for the business before providing interest on capital for the year is Rs. 9,000. Show the relevant account to represent interest on capital of partners when:
- partnership is silent about treatment of interest on capital
  - interest on capital is charge as per partnership deed.
3. X, Y and Z are three partners sharing profits in the ratio of 3:2; 1. They withdrew Rs.5,000 each on quarterly basis. Compute interest on drawing for the year 2008 @ 9% p.a. for partners in the followings cases:

- (i) X withdrew at the beginning of each quarter
- (ii) Y withdrew at the end of each quarter
- (iii) Z withdrew at the middle of each quarter.

4. Compute interest on drawing @ 10% p.a. for the year 2011 if Amit withdrew followings amounts during 2011 :

	(Rs.)
February 1	3,000
April 30	4,000
June 1	3,000
September 30	5,000
November 1	7,000
December 31	2,000

5. Vinod and Mohan were partners in a firm. The partnership agreement provided that interest on drawing was to be charged @ 12% p.a. Vinod had withdrawn the following amounts during the year ended 31-12-1999.

Date	Amount Withdrawn
	(Rs.)
1-1-1999	10,000
31-3-1999	16,000
1-7-1999	20,000
31-12-1999	4,000

Calculate interest on Vinod's drawing.

6. A, B and C were partners in a firm having capital of Rs. 60,000, Rs. 60,000 and Rs.80,000 respectively. Their current account balances were A – Rs. 10,000, B – Rs. 5,000 and C – Rs. 2,000 (Dr.). According to 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 Rs. 6,000 p.a. The profits were to be divided as follows:

- (i) The first Rs. 20,000 in proportion of their Capitals.
- (ii) Next Rs. 30,000 in the ratio of 5 : 3 : 2.

(iii) Remaining profit to be shared equally.

During the year, the firm made a profit of Rs. 1,56,000 before charging any of the above items. Prepare the Profit and Loss Appropriation Account.

7. A and B are partners sharing profits in the ratio of 3 : 2 with capitals of Rs. 50,000 and Rs.30,000 respectively. Interest on capital is agreed @ 6% p.a. B is to be allowed an annual salary of Rs. 2,500. During 2017, profits of the year prior to calculation of interest on capital but after charging B's salary amounted to Rs. 12,500. Manager is to be allowed a commission of 5% on the profits remaining after deducting salary and interest on capitals but before charging such commission.

Prepare an account showing allocation of profits and partners' capital accounts.

8. X and Y are partners in a firm having capital of Rs. 1,60,000 and Rs. 1,20,000 respectively. According to partnership deed, partners are entitled to interest on capital @ 3.5% p.a. X is also entitled to get a commission of 10% on net distributable profit before charging his commission while Y is entitled to get a commission of 10% on profit after charging all commission. Net profit before charging interest on capital and commission amounted to Rs. 2,15,500. Prepare Profit and Loss Appropriation Account.
9. X, Y and Z are partners in a firm sharing profits and losses in the ratio of 3 : 2 : 1. Y is allowed a salary of Rs. 6,000 p.a. and Z is entitled to get commission @ 2% on sales. Sales during year amounted to Rs. 3,30,000. X is also entitled to get 10% commission on profit after charging his commission. During 2010, firm earned profit @ 10% on sales.

Prepare Profit and Loss Appropriation Account.

10. Malti, Paro and Arti are partners in a firm having fixed capital of Rs. 80,000, Rs. 40,000 and Rs. 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 as 12% p.a. Give the 'Tyr adjustment entry to adjust the balances of Partners' Capital Accounts.
11. Ram, Shyam and Mohan were partners in a firm sharing profits and losses in the ratio of 2 : 1 : 2. Their capitals were fixed at Rs. 3,00,000, Rs. 1,00,000 and Rs. 2,00,000. For the year 1996, interest on capital was credited to them @ 9% p.a. instead of 10% p.a. The profit for the year before charging interest was Rs. 2,50,000.

Show your working and pass the necessary adjustment entry.

12. Kumar and Raja were partners in a firm sharing profits in the ratio of 7 : 3. Their fixed capitals were : Kumar Rs. 9,00,000 and Raja Rs. 4,00,000. The partnership deed provided for the following but the profit for the year was distributed without providing for:
- Interest on Capital @ 9% p.a.
  - Kumar's salary Rs. 50,000 per year and Raja's salary Rs. 3,000 per month.

The profit for the year ended 31-3-2007 Rs. 2,78,000.

Pass adjustment entry.

13. P, Q and R are partners having fixed capital of Rs. 1,00,000, Rs. 80,000 and Rs. 60,000 respectively. They share profits in the ratio of 3 : 1 : 1. Following transactions were omitted to be recorded in the books:
- Interest on capital 5% p.a.
  - Interest on drawings : P-Rs. 600, Q-Rs. 600 and R-300.
  - Salary of P-Rs. 1,500 p.a. and R-Rs. 1,000 p.a.

Record adjustment entry showing the working note clearly.

14. The capital of P, Q, and R for the year ending 2008 after adjustment of profit and drawing were – Rs. 80,000, Rs. 60,000 and Rs. 40,000 respectively. Their drawings were Rs.20,000, Rs. 15,000 and Rs. 10,000 respectively. Net profit for the year 2008 was Rs.1,20,000.

Subsequently, it was found this interest on capital @ 5% p.a. and interest on drawing: P-Rs. 500, Q-Rs. 350 and R-Rs. 200 was omitted.

Their profit sharing ratio was 3: 2: 1. Pass rectifying entry giving workings clearly.

15. Following is the Balance Sheet of P and Q as on 31<sup>st</sup> December, 2017 who share profits equally.

Liabilities	(Rs.)	Assets	(Rs.)
P's Capital	1,00,000	Sundry Assets	80,000
Q's Capital	70,000	P's Drawing	20,000
Profit & Loss A/c (2017)	30,000		
	2,00,000		2,00,000

During 2007, Q's drawings were Rs. 15,000 and profits during 2007 was Rs. 50,000. While finalising accounts for 2017, interest on capital @ 5% p.a. and interest on drawing @ 12% were inadvertently ignored.

Give adjustments entry showing working note clearly.

16. A, B and C are partners in a firm with a fixed capital of Rs. 1,00,000, Rs. 75,000 and Rs.50,000 respectively. Their profit sharing ratio in 2017 was 3 : 2: 1 but in 2016, it was ratio of their capital. On 1<sup>st</sup> January, 2017, they found that interest on capital @ 10% p.a. has been ignored inadvertently.

Rectify the error giving workings.

17. K, L and M were partners in a firm sharing profits in 2 : 1 : 1 ratio. M was guaranteed a profit of Rs. 25,000. K agreed to meet the liability arising out of guaranteed amount of M. The firm earned a profit of Rs. 80,000 for the year ended 31-3-2017.

Prepare Profit & Loss Appropriation Account.

18. X, Y and Z are partners sharing profits in the ratio 5:3:2. As per agreement, Z is to get a minimum share of profit of Rs. 10,000 every year. The profit for the year 2017 amounts to Rs. 35,000.

Prepare Profit & Loss Appropriation Account to allocate the share of profit of each partner during 2017.

19. A, B and C were partners in a firm sharing profits in the ratio of 2 : 2: 1. C was guaranteed to be given a profit of Rs. 50,000 per year. Deficiency if any, on that account shall be borne by A and B in the ratio of 3:2. The net profit of the firm for the year ended 31-3-2004 was Rs. 2,00,000.

Prepare Profit and Loss Appropriation Account of A, B and C.

20. A, B and C entered into a partnership on October 1, 2016 to share profits and losses in the ratio of 3 : 2 : 1 A, however, personally guaranteed that C's share of profit after charging interest on Capitals at 5% p.a. would not be less than Rs. 30,000 in any year. The capital contributions were A : Rs. 3 lakhs, B : Rs. 2 lakhs and C : Rs. 1 lakh. The profit for the period ended March 31<sup>st</sup>, 2017 were Rs. 1,20,000. Show distribution of profits.

21. The partners of a firm distributed the profits for the year ended 31<sup>st</sup> March, 2003 Rs.1,40,000 in the ratio of 2 : 2 : 1 without providing for the following adjustments:

- (i) A and B were entitled to a salary of Rs. 1,500 per quarter.
- (ii) C was entitled to a commission of Rs. 8,000.
- (iii) A and C had guaranteed a minimum profit of Rs. 50,000 p.a. to B.
- (iv) Profits Were to be shared in the ratio of 3 : 3 : 2.

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

22. A, B and C are partners in a firm sharing profits and losses in the ratio 3 : 2 : 1. Their capitals were Rs. 1,00,000, Rs. 75,000 and Rs. 50,000 respectively. They agreed to allow interest on capital @ 10% p.a. and agreed to charge interest on drawings @ 10% p.a. Their drawings for the year were Rs. 10,000, Rs. 8,000 and Rs. 6,000 respectively.

C Was very active getting a salary of Rs. 2,000 p.m. and in return, he guaranteed that firm's profit would not be less than Rs. 80,000 before charging or allowing interest and salary payable to C. Actual profit for the year 2017 was Rs. 75,000.

Prepare Profit and Loss Appropriation Account and Partners' Capital Accounts.

23. P and Q are partners sharing profits in ratio 3 : 1. They agreed to admit their manager, R as a partner from 1<sup>st</sup>. January, 2017 on 1/4<sup>th</sup> share of profit. R deposited Rs. 30,000 as security. He was getting a salary of Rs. 2,000 per month and a commission 10% on the net profit after charging his salary and commission.

As per partnership deed, the security deposited by R be treated as his share of capital. Any excess amount which R will get as a partner over the receipt as a manager would be borne by P and in ratio 3 : 2.

## Chapter – 2

### Goodwill

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1. Goodwill of a firm is valued at two years' purchase of the average profit of the last five years. The profits of the last 5 years were—Rs. 16,000, Rs. 19,000, Rs. 6,000 (loss), Rs.31,000, Rs. 35,000. Calculate value of goodwill.
2. Ajay purchases the business of Vijay on 1<sup>st</sup> January, 2018. The profits of past 3 years earned by Vijay are as under :  
2015— Rs. 45,000 (including Rs. 7,000 from sale of plant)

2016– Rs. 50,000 (including theft of goods worth Rs. 8,000 during the year)

2017– Rs. 53,000 (does not include Rs. 5,000 as insurance premium)

Calculate the value of goodwill of the firm based on 2 years/ purchase of the average profit of last 3 years.

3. The profit of a firm for the last 4 years are as under :  
2014– Rs. 18,000; 2015 – Rs. 23,000; 2016– Rs. 29,000 and 2017– Rs. 35,000

Compute goodwill of the firm on the basis of 2 year's purchase of weighted average of profits. The weight are – 1, 2, 3 and 4.

4. The capital employed in a firm on 31<sup>st</sup> December, 2018 was Rs. 5,00,000. The firm had earned profit during last 5 years as :

2014–Rs. 60,000; 2015–Rs. 80,000, 2016–Rs. 20,000 (loss); 2017–Rs. 70,000 and

2018–Rs. 1,00,000. The normal rate of return is 8% on capital employed. Compute goodwill on the basis of 2 ½ years' purchase on average super profit earned.

5. The average capital employed in a business is Rs. 2,50,000 and average net profit earned is Rs. 35,000 p.a. The normal rate of return on average capital employed is 10%. The remuneration amounting to Rs. 5,000 p.a. is considered reasonable to owners. Compute goodwill on the basis of 2 years' purchase of Super Profit.

6. The average profit earned by a firm is Rs. 55,000 which includes abnormal income of Rs. 5,00,000 and the normal rate of return is 8%. Calculate goodwill of the firm on the basis of 4 times of super profit.

7. A firm had Rs. 1,20,000 worth of fixed assets and Rs. 80,000 as current assets on 1<sup>st</sup> January, 2018. On that date, creditors of firm were Rs. 20,000 partners' capital Rs. 1,70,000 and Reserve Fund Rs. 10,000. If the goodwill of the firms is valued at Rs. 40,000 on the basis of 4 years' purchase of super profit on the basis of 10% return on capital employed, find the average profit earned by the firm.

8. A partnership firm earned net profit during the last three years as follows :

Years	Net Profit (Rs.)
2014-2015	1,90,000

2015-2016	2,20,000
2016-2017	2,50,000

The capital employed in the firm throughout the above mentioned period has been Rs. 4,00,000. Having regard to the risk involved, 15% is considered to be a fair return on the capital. The remuneration of all the partners during this period is estimated to be Rs. 1,00,000 per annum.

Calculate the value of goodwill on the basis of (i) two year's purchase of super profits earned on a average basis during the above mentioned three years and (ii) by capitalization method.

9. A firm earns Rs. 60,000 profit for the year 2018. The normal rate of return is 10%. The firm has assets worth Rs. 7,00,000 and liabilities Rs. 2,10,000. Determine goodwill by capitalization of average profit.
10. The capital employed by a firm is Rs. 3,00,000. The annual profit of firm is Rs. 60,000 including Rs. 9,600 received as compensation. The money could be invested in the bank for 5 years @10% p.a.

Considering 2% as fair compensation for the risk involved in the firm, compute goodwill of the firm on the basis of capitalization of super profit.

11. X, Y and Z are partners in a firm sharing profits in the ratio 3 : 3 : 2. On 31<sup>st</sup> December, 2018, their balance sheet stood as follows :

Liabilities		(Rs.)	Assets		(Rs.)
Creditors		20,000	Sundry Assets		1,15,000
Profit & Loss A/c		25,000	Advertisement		10,000
Capital A/c :			Suspense A/c		
X	30,000				
Y	30,000				
Z	<u>20,000</u>	80,000			
		1,25,000			1,25,000

Partners decided to change their profit ratio to 2 : 3 : 3. For this purpose, goodwill was valued at Rs. 45,000.

They decided neither to record goodwill in the books nor want to change any item of the balance sheet. Pass a single journal entry to give the effect of the change.

12. Amit and Sumit are partners in a firm sharing profits and losses in ratio 3 : 2. Their balance sheet as on 31-3-2017 was as under :

Liabilities	(Rs.)	Assets	(Rs.)
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Capital A/c			Goodwill	1,20,000
Amit	1,50,000		Sundry Assets	2,80,000
Sumit	<u>1,00,000</u>	2,50,000		
Profit & Loss		70,000		
A/c				
Creditors		80,000		
		<u>4,00,000</u>		<u>1,25,000</u>

On 1-4-2018, they decided to share profits and losses equally. They also agreed to value goodwill of the firm as Rs. 1,00,000 but they did not want to alter the book value of goodwill and profits. Pass a single journal entry to record the change.

### Subject - Business studies

Solve the following worksheet of

- Chapter -1(Nature, purpose and significance of management)
- Chapter-2 (principles of management)

### Chapter -1

#### NATURE AND SIGNIFICANCE OF MANAGEMENT

1. Which force is consisted as the essence of management?
2. ‘Doing the task with minimum cost’ name the term associated with management?
3. ‘ In order to be successful , an organization must change its goals according to the needs of the environment. Which characteristics of management are highlighted in this statement.
4. Which function of management is bridges the gap between where we stand today and where we want to reach.
5. Name the function of management which establishes organization structure and establishes authority and responsibility relations?
6. In which functions of management standards are compared with actual, deviations are find out and corrective steps are taken?
7. Departmental manager are included at which level of management?
8. Name the level of management the following parts belongs to.
  1. Purchase managers.
  2. CEO
  3. Superintendent.
9. ‘Survival profit and growth are essential target of any business’ which objectives of management is referred here?
10. ‘Every organization whether it is business or non-business should use environmental methods of production, give employment opportunities and

provide basic amenities like schools and crèches to employees' name the objective of management indicated here?

11. The activities involved in managing an enterprise are common to all organizations whether social or political' which characteristics of management is highlighted by this statement?
13. How Management is an intangible force?
14. "Management is essential for successful running of an enterprise", How?
15. Father of Mr. 'Y' acts as Vice President in ABC Ltd. Name the level of Management he is working? Explain Any two functions performed by him?
16. Mr. Anil working as a 'Sales department Head in XYZ Ltd. Name the level of Management he is working? Explain Any two functions performed by him?
17. Explain any 3 functions performed by operational Level?
18. 'Co-ordination' is the essence of Management' Explain.
19. "Management is critical ingredient of a nation's growth" Comment.
20. Why Management is considered as Multi dimensional function?
21. "Management is Science as well as art". Explain this statement.
22. Explain features of management ?
23. Explain significance or importance of management ?
24. Explain features and importance of coordination ?
25. Do you think management has the characteristics of a full-fledged profession ?  
Justify

## **Chapter -2**

### **PRINCIPLES OF MANAGEMENT**

1. How are principles of management formed?
2. Why is it said that the principles of management are universal?
3. Why is it said that principles of management are flexible?
4. Which principles of management promote team spirit?
5. Who was the first to identify functions of management?
6. Which principle of management suggests that a subordinate should receive orders from and be accountable to one superior?
7. Who gave the concept of scientific management? What was his profession?

8. Which principle of scientific management suggests the introduction of scientific investigation and analysis of management practice?
9. What is the basis of formation of scientific management?
10. Which principle of management is violated if an employee is asked to receive orders from two superiors?
11. “Workers should be encouraged to develop and carry out their plans for improvements”. Identify the principle of management formulated by Fayol.
12. It has been observed that the prevailing situation in an organization is due to the violations of the principle of ‘order’. What might have been your observation?
13. Which principle of management is violated when a manager grants one month medical leave to a superior with pay and only one week medical leave to an accountant?
14. Mohan a manager, expects his colleagues to get work out of subordinates without giving them any powers. Which principle of management is being overlooked and why?
15. Which principle of management aims at securing the loyalty and devotion of the employees by giving them fair and just treatment?
16. Which principle of management suggest that each group of activities having the same objective must have one head and one plan? Explain the principle with suitable example.
17. If an organization does not provide the right place for physical and human resources in the organization, which principle is violated? What are its consequences?
18. The production manager of an automobile company asked the foreman to achieve a target production of 200 units (Scooters) per day. But he did not give him the authority to requisition tools and materials from the store department. Can the production managers blame the foreman if he is not able to achieve the desire target? Explain briefly the principle relating to the situation.
19. Name and explain that principle of Fayol which suggest that communication from top to bottom should follow the official lines of command?
20. Hina & Harish are typist in a company having same educational qualification. Hina is getting Rs.3000 per month and harish Rs. 4000 per month as salary for the same working hour. Which principle of management is violated in this case? Name and explain the principle?
21. Explain difference between value and principles ?
22. Explain nature of management principles ?
23. Explain significance /importance of management principles ?

## **Subject - Economics**

- Q1 What do you mean by fiscal deficit? What happen if fiscal discipline is not mentained in the economy?
- Q2 What does zero deficit mean?
- Q3 Can there be fiscal deficit without a revenue deficit?
- Q4 Giving reasons categorise the following in to revenue receipt and capital receipts.
- 1.Recovery of loan.
  - 2.Corporation tax.
  - 3.Income tax.
  - 4.Sale of a public sector undertaking.
  - 5.Borrowing from public.
- Q5 Explain positive and normative economics with example.
- Q6 How does appreciation and depreciation of the domestic currency affect exports and imports of the domestic economy?
- Q7 What is meant by public goods?
- Q8 Does non plan expenditure contribute to social welfare?
- Q9 Subsidy on diesel oil is a wasteful expenditure by the government. Write one point in support of this observation and one against it
- Q10 Explain the quantitative and qualitative measures of central bank.
- Q11 Explain the credit creation process of commercial bank with numerical example.
- Q12 Name three item which are included in balance of trade.
- Q13 Name three item which are not included in balance of trade.

## **Subject - IP**

1. Write two advantages of networks.
2. Write two disadvantages of networks.
3. What is communication channel? Name the basic types of communication channels available.
4. What is MAC Address?

5. What is IP address?
6. What is domain name? How is it alternatively known?
7. What are the various types of networks?
8. What is the difference between MAN and WAN?
9. What is meant by Topology? Name some popular topologies.
10. Define a network
11. What are the similarities and differences between bus and tree topologies?
12. What are the limitations of star topology?
13. What are the goals of network?
14. Write the applications of network?
15. What do you understand by domain name resolution?
  
16. What are communication channels? Discuss various channels available for networks?
17. Advantages and disadvantages of the followings:
  - i) Optic fiber
  - ii) Coaxial cables
  - iii) Twisted pair cables
  - iv) Radio waves
  - v) Microwaves
  - vi) Satellites
18. Discuss and compare various types of networks?
19. Explain mostly used topologies.
20. What are hubs? What are its types?
21. What is the role of a switch in a network?
22. Discuss repeater.
23. What are common threats to network security?
24. What is denial of services attacks?

25. How can you prevent/ counter threats of network security? 26. When do you think, ring topology becomes the best choice for a network?
27. Write the two advantages and two disadvantages of star topology in network.
28. Write the disadvantages if twisted pair cables.
29. Define Hub.
30. Define switch

**Subject : English**

Q 1. Write down the question answers of –  
Flamingo – Chapter 1. The Last Lesson.

Poem – 1 – My Mother at Sixty Six.

Vistas – 1. The Tiger King.

**Writing Skill –**

Q. Write a letter to the editor of a national daily to create awareness among the people not to indulge in the violence in the name of cast or other political issues.