INDIAN SCHOOL AL WADI AL KABIR

Class: XII **Accountancy**	**Department: Commerce**
Worksheet No: 1 (Short Sums)	**Topic: Retirement of a Partner**

1.K,L and M are partners sharing profit in the ratio ½, $^{2}/_{5}$, $^{1}/_{10}$. Find the new profit sharing ratio, if L retires from the firm.

2. A, B and C were partners sharing profits in the ratio 3:2:1. Find out the gaining ratio and the new ratio if A retires.

3. P, Q and R are sharing profit and loss in the ratio 5:3:2. Q retires and his share is taken by P and Q in the ratio 2:1. Calculate the new profit sharing ratio.

4. Amit, Abhay and Ajit are partners sharing profit/loss in the ratio $^{1}/_{2}$, $^{3}/_{10}$, $^{1}/_{5}$. Abhay retires from the firm and Amit and Ajit decide to share future profit and loss in the ratio 3:2. Calculate the gaining ratio.

5. X, Y and Z are sharing profit in the ratio 3:2:1. X retires and Y and Z decided that the profit sharing between them will be same as existing between X and Y. Calculate new ratio and gaining ratio.

6. A,B and C are sharing profit/loss in the ratio 4:3:2. B retires and surrenders 1/9th of his share in favour of A and remaining to C. Calculate new profit sharing ratio and gaining ratio.

7. X, Y and Z were partners in the ratio of 3:2:1. Y retired and the new profit sharing ratio between X and Z was 2:1. On Y's retirement, the goodwill of the firm was valued at Rs.1,80,000. Pass necessary journal entry for the treatment of goodwill on Y's retirement.

8. Rony, lobby and bobby are partners sharing profits in the ratio of 3:2:1. Goodwill is appearing in the books at a value of Rs.1,80,000. Lobby retires and at the time of his retirement goodwill is valued at Rs.2,52,000. Rony and Bobby decided to share future profits in the ratio of 2:1. The profits for the first year after Lobby's retirement amount to Rs.1,20,000. Give the necessary journal entries to record goodwill and to distribute the profits. Show calculations clearly.

9. Akash, Bhupesh and Chandresh are partners sharing profit and loss in the ratio 4:3:1. Bhupesh retires, selling his share of profit to Akash and Chandresh for Rs.8,100. Akash Paid Rs.3,600 and Chandresh paid Rs.4,500. The profit for the year after Bhupesh's retirement were Rs.10,500. Pass the necessary journal entries. Calculate the new profit sharing ratio.

10. X, Y and Z are partners sharing profit in the ratio 1:2:3. Z decides to retire due to ill health and his capital after making adjustments for reserves and revaluation profit stands at Rs.2,20,000. X and Y agreed to Pay Z Rs.2,50,000 in full settlement of his claim. Record the necessary journal entry for the treatment of goodwill if the new profit sharing ratio between X and Y is 1:3.

11. P, Q and R were partner's sharing profits and losses in the ratio 3:2:1. P retires and on that date there was workmen's compensation fund amount Rs. 30,000 in the Balance Sheet. But actual liability on this account was for Rs. 12,000 on that date. Give Journal Entry.

12. X, Y and Z are partners in a firm sharing profits and losses in the ratio of 2:1:1, Y retires on 31st march, 2021. On that date, there was a balance Rs. 24,000 in general reserve and Rs. 16,000 in profit and loss A/c of the firm. Pass the Journal entry/entries.

13. Murari, Yadav and Vohra were partners in a firm with capitals of Rs. 1,20,000, Rs.1,40,000 and Rs. 1,60,000 respectively. On 1st April, 2020, Yadav retired from the firm and the goodwill is valued at 2 years purchase of average profit of last 3 years, which was Rs.4,50,000. On that date, the creditors of the firm Rs. 60,000 and bank overdraft was Rs. 15,000. Their assets apart from cash included stock Rs. 10,000; debtors Rs. 40,000; plant and machinery Rs. 80,000; land and building Rs. 2,00,000. It was agreed that stock should be depreciated by Rs. 2,000; plant and machinery by 20%, Rs. 5,000 should be written-off as bad debts and land and building should be appreciated by 25%. Prepare revaluation account and pass the necessary entries on Yadav's retirement.

14. A, B and C were partners sharing profit and losses in the ratio 2:2:1. B decides to retire on 31st march 2021. On the date of his retirement, some of the assets and liabilities appeared in the books as follows: Creditors: Rs.70,000; Building Rs1,00,000; Plant and Machinery Rs.40,000; Stock Rs.20,000; Furniture Rs.30,000; Debtors Rs.20,000.
The following was agreed among the partners on B's retirement:
(a)Building was appreciated by 20%.
(b)Plant & Machinery depreciated by 10%.
(c)A provision of 5% on debtors to be created for doubtful debt.
(d) Stock is valued at Rs.18,000 and furniture is appreciated by Rs.5,000.
(e)An old computer previously written off was sold for Rs.2,000 as scrap.
(f)Firm had to pay Rs.5,000 to an injured employee.

Pass the entries to record the above adjustments and prepare the Revaluation A/c.