

Seat No.: _____

(11)

SARDAR PATEL UNIVERSITY
BBA. LLB (Hon.) Ist Semester Examination
2016
Tuesday, 22nd November
10:00a.m. to 12.00 p.m.
UL01CBBH04 Accounting for Firms

Note: Figures to the right indicate the marks.

Total Marks : 50

- Q-1(A) Explain any four kinds of partners in detailed. (06)
 (B) State the rights of partners. (06)

OR

- Q-1 Write short notes on : (12)
 1. Partnership Deed.
 2. Duties of Partners.
- Q-2(A) The profit of the firm for the last five years ending Dec.31, were as follows: (07)

Year	Profit (Rs.)
2001	40,000
2002	45,000
2003	50,000
2004	55,000
2005	60,000

Compute the value of goodwill on the basis of three years' purchase of weighted average profits. The appropriate weights assigned for the last five years were 1,2,3,4 and 5 respectively.

- (B) Ritu and Nitu are partners in a firm sharing profit and losses in the ratio of 4:1. Mitu is admitted into partnership with 1/4th share in profits. Compute the new profit sharing ratio. (06)

OR

- Q-2 1. Illustrate Gaining Ratio. (07)
 2. Distinguish between revaluation account and realisation account. (06)
- Q-3 1. Explain the circumstances of retirement of a partner. (07)
 2. Mention the problems arising on retirement or death of partner. (06)

OR

- Q-3 Ravi, Kiran and Usha are partners sharing profit and losses in the ratio of 3:2:1 Their balance sheet as on 31st March 2014 was as under (13)

Balance Sheet

Liabilities	Amount	Assets	Amount
Capitals:		Land and building	90,000
Ravi 72,000		Plant and machinery	48,000
Kiran 42,000		Stock	60,000
Usha 52,000	1,66,000	Cash	1,500
General Reserve	12,000	Debtors 46,000	
		Less: BDR 4,000	42,000
Creditors	56,500		
Bills payable	7,000		
	2,41,500		2,41,500

Kiran retired on the above date with the following condition :

- 1) Plant and machinery valued at Rs.40,000.
- 2) Land and building is valued at Rs. 1,50,000.
- 3) Provision for doubtful debts should be increased by Rs. 4,000.
- 4) The goodwill of the firm is valued at Rs.120,000.
- 5) The amount due to Kishan is transferred to his loan account.

Prepare necessary accounts and balance sheet of the continuing partners, after the retirement.

Q-4 The balance sheet of a firm on 30th June, 2011, when it was decided to dissolve the firms , (12)
was as follows:

Liabilities		Amount	Assets		Amount
Capitals:			Machinery		10,580
A	4,000		Stock		4,740
B	3,000	7,000	Cash		640
Reserve for contingencies		500	Debtors		5,540
Creditors		14,000			
		21,500			21,500

Other particular are as under :

1. Rs. 19,500 was realized from all assets except cash at bank.
2. Creditors were fully paid.
3. The cost of winding up was Rs.440.

A and B were sharing the profit in the ratio of 2:1, respectively.

Prepare the realisation account and capital accounts of partners.

OR

- Q-4
- 1) Distinction between dissolution of partnership and dissolution of firm. (06)
 - 2) Explain the modes of dissolution of a firm. (06)

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