Retirement of Partner

1	X,Y & Z are partners in a firm sharing profits in the ratio of 1/2: 3/10: 1/5. Calculate the NPSR and Gaining ratio if: a) X retires. b) Y retires. c) Z retires. OR X, Y & Z are partners sharing profits in the ratio of 1/5: 1/3: 7/15 respectively. Z retires and his share is taken up by X and Y in equal ratio. calculate NPSR. OR X, Y & Z are partners sharing profits in the ratio of 1/5: 1/3: 7/15 respectively. Z retires and his share is taken up by X and Y in equal ratio. calculate NPSR. OR X, Y & Z are partners sharing profits in the ratio of 1/5: 1/3: 7/15 respectively. Z retires and his share is taken up by X and Y in ratio of 3:2. calculate NPSR. OR P,Q& R are partners in a firm. calculate their new profit sharing ratio if P retires from the firm.	3
2	X, Y & Z are partners sharing profits in the ratio of 1/5: 1/3: 7/15 respectively. Z retires. X and Y decided to share future profits in equal ratio. calculate gaining ratio. OR X, Y & Z are partners sharing profits in the ratio of 25: 15: 9 respectively. Y retires and it is decided that the profit sharing ratio between X & Z will be the same as existing between Y and Z. calculate NPSR and gaining ratio. OR X, Y & Z are partners sharing profits in the ratio of 4/9: 1/3: 2/9 respectively. Y retires and surrender 1/9th of his share in favour of X and remaining in favour of Z. Calculate NPSR and gaining ratio. OR X, Y & Z are partners sharing profits in the ratio of 1/2: 3/10: 1/5 respectively. Y retires and his share is taken up by X and Z in ratio OF 2:1. Then immediately, W is admitted for 1/4th share of profits, Half of which was gifted by X and remaining share was by W equally from X and Z. calculate NPSR after admission. OR X,Y & Z are partners in a firm sharing profits in the ratio of 14: 5: 6. Y retires and surrender 5/25 th of his share in favour of X. Calculate NPSR.	3
3	X, Y & Z are partners in a firm sharing profits in the ratio of 5:3:2. Y retires from the firm. X & Z decided to share future profits equally. goodwill of the firm on retirement is valued at Rs 60000. pass journal and calculate their gaining ratio. OR X, Y & Z are partners in a firm sharing profits in the ratio of 5:3:2. Y retires from the firm. X & Z decided to share future profits equally goodwill on retirement is valued at Rs 40000. pass journal and calculate their gaining ratio. OR Ram ,Sham and Mohan are partners in the firm sharing profits in the ratio of 3:2:1.Ram decided to take retirement from the firm and for the purpose of retirement goodwill of the firm is valued at RS 48000. However goodwill account already appeared in the books of firm at Rs 15000. pass journal. OR Ram ,Sham and Mohan are partners in the firm sharing profits in the ratio of 3:2:1. on 1-4-12 Ram decided to take retirement and on the date goodwill of the firm is valued at Rs 36000. the firm earned a profit of Rs 60000 for the year ended on 31-3-13. pass journal and state the ratio in which profit is to be distributed among the partners.	4
4	X,Y & Z are partners in a firm sharing profits in the ratio of 14: 5: 6. Y retires and surrender 5/25 th of his share in favour of X, The goodwill of the firm is valued at 2 years purchase of super profits based on average of last 3 years. Profits for the last 3 years are: Rs 50000, Rs 55000 and Rs 60000. The normal profits for similar firm for Rs 30000. Goodwill already appears in the books of the firm at Rs 75000. The profit for the first year after Y's retirement was Rs 100000. Pass the necessary journal entries to adjust the goodwill and to distribute profits. OR	4

Ram ,Sham and Mohan are partners in the firm sharing profits in the ratio of 3:2:1. on 1-4-12 Ram decided to take retirement from the firm and on the date following balances appeared in the books of firm-
Goodwill Rs 54000,General Reserve Rs 30000 and P/L Rs 21000. pass journal on retirement.

OR

X, Y and Z are the partner sharing profits in the ratio of 5:3:2. On 31st march 2008 Z decided to take retirement. On the same date their books shows a credit balance of reserve and surplus account of Rs 40000 and a debit balance of profit and loss account of Rs 10000. On the occasion goodwill of the firm is valued at Rs 60000.Pass journal on Z's retirement.

OR

Ram ,Sham and Mohan are partners in the firm sharing profits in the ratio of 3:2:1. on 1-4-12 Ram decided to take retirement from the firm and on the date following balances appeared in the books of firm-
Goodwill Rs 45000,General Reserve Rs 15000 and P/L (Debit) Rs 12000. pass journal on retirement.

OR

X, Y & Z are in partnership sharing profits in the ratio of 5:3:2 respectively. X retires from the firm as on 01-01-2013 when his capital shows a net credit balance of Rs 82100 after the necessary adjustments. X is to be paid Rs 22100 in cash immediately on retirement and the balance in three equal annual instalments along with interest @ 8% p.a. Show the X Loan account till it is finally paid off.

5 X, Y & Z were partners sharing profits in the ratio of 3:2:1. On 31-03-2014 Y retired. On the date of his retirement the balance in his capital account was Rs 35000. The other assets and liabilities of the firm on the date were as follows: 8

Cash Rs 10000; Building Rs 100000; Plant and Machinery RS 40000; Stock Rs 20000; Debtors Rs 20000 and Investment Rs 30000.

The following was agreed between the partners on Y's retirement:

Building to be appreciated by 20%.

Plant and Machinery to be depreciated by 10%.

A provision of 5% to be created for doubtful debts.

Stock was to be valued at Rs 18000 and investment at Rs 35000.

An old typewriter completely written off was sold for Rs 2000.

Partner had to pay Rs 5000 to the family of an employee who died in an accident.

Y had to pay Rs 1000 cash and balance in three equal yearly instalments with interest @ 10% p.a starting from 31-03-2015.

Pass journal.

Prepare Y's capital account and Y's loan account till it is finally paid off.

OR

A, B & C are partners sharing profits in the ratio of 3:2:1. Their balance sheet as on 31st December 2004 is as under.

Liabilities	Amount	Assets	Amount
Creditors	30000	Cash	18000
Bills payable	16000	Debtors 25000 Less prov. 3000	 22000
General reserve	12000	Stock	18000
A's capital	40000	Furniture	30000
B's capital	40000	Machinery	80000
C's capital	30000	Building	60000
	168000		168000

B retired on 1st January 2005 on the following terms:

Provision for doubtful debts will be raised by Rs 1000.

Stock will be depreciated by 10-% and furniture by 5%.

There is an outstanding claim for damages of Rs 1100 and it is to be provided for in the books.

Creditors will be written back by 6000.

Goodwill of the firm is valued at Rs 24000 and same is not to be shown in the books.
Prepare revaluation account, partner's capital account and the balance sheet of A&C.

OR

P, Q & R were partners sharing profits in the ratio of 2:3;5. Om 31st march 2004 their balance sheet was as follows:

Liabilities	Amount	Assets	Amount
Creditors	70000	Bank	45000
P's capital	80000	Debtors 40000 Less prov. 5000	35000
Q's capital	70000	Stock	50000
R's capital	60000	Building	140000
		Profit and loss account	10000
	280000		280000

On the above date R retired from the firm on the following terms:
Building was to be depreciated by Rs 40000.
Provision for doubtful debts was to be maintained at 20% on debtors.
Salary outstanding Rs 5000 was to be recorded and creditors Rs 4000 will not be claimed.
Goodwill of the firm was valued at Rs 72000 and the same was to be treated without opening goodwill account.
R was to be paid Rs 15000 in cash through bank and balance was to be transferred to his loan account.
Prepare revaluation account; partners' capital account and balance sheet.

OR

P, Q and R were partners sharing profits in the ratio of 3:2:1. their balance sheet as on 31st march 2010 ,

Liabilities	**Amount**	**Assets**	**Amount**
Creditors	13000	Cash	4700
Bills payable	590	Debtors	8000
P's capital	15000	Stock	11690
Q's capital	10000	Building	23000
R's capital	10000	Profit and loss account	1200
	48590		**48590**

Q retired on the above mentioned date on the following terms:
Value of Building is to be to Rs 30000.
A provision for doubtful debts to be made at 5% on debtors.
Goodwill is to be valued at Rs 18000.
Rs 2800 to be paid to Q immediately and the balance in three equal annual instalments along with interest 10%p.a.
Pass journal and prepare Q's loan account till it is finally settled.

6 A, B & C are partners sharing profits in the ratio of 3:2:1. Their balance sheet as on 31st December 2004 is as under. 8

Liabilities	Amount	Assets	Amount
Creditors	30000	Cash	18000
Bills payable	16000	Debtors 25000 Less prov. 3000	22000
General reserve	12000	Stock	18000
A's capital	40000	Furniture	30000
B's capital	40000	Machinery	80000
C's capital	30000	Building	60000
	168000		168000

B retired on 1st January 2005 on the following terms:
Provision for doubtful debts will be raised by Rs 1000.
Stock will be depreciated by 10-% and furniture by 5%.
There is an outstanding claim for damages of Rs 1100 and it is to be provided for in the books.

Creditors will be written back by 6000.
Goodwill of the firm is valued at Rs 24000 and same is not to be shown in the books.
B is paid in full with cash brought in by A & C in such a manner that their capitals are in proportion to their profit sharing ratio of 1:1.
Prepare revaluation account, partner's capital account and the balance sheet of A&C.

OR

P, Q and R were partners in the ratio of 3:2:1. Their balance sheet as at 31st December, 2004 as follows :
Balance Sheet

Liabilities	Amount (Rs)	Assets	Amount
Sundry Creditors	20,160	Cash at Bank	20,160
Reserve for Contingency	***9, 600***	Sundry Debtors	14, 400
Capital Accounts : Capital Accounts : P 16,000 Q 16,000 R 16,000	48,000	Plant and Machinery Land and Buildings	20,800 22,400
	77,760		77,760

On the date, R retires and amount due to him was paid in cash. Other terms were agreed as follows :
Create a provision of 5 % on sundry debtors for doubtful debts.
Depreciation plant and machinery was Rs. 4,520.
Land and building was revalue at Rs. 24,160.
capital of the new firm is to be fixed at Rs 60000 and same is to be adjusted in their new profit sharing ratio between P & Q i.e 1:1.
You are required to prepare revaluation account, partners' Capital account and balance sheet after retirement of Z.

OR

Ram, Bishen & Chintan are partners sharing profits in the ratio of 5:3:2. Their balance sheet as on 31st December 2004 is as under.

Liabilities	Amount	Assets	Amount
Creditors	30000	Cash	18000
Bills payable workmen compensation fund	10000 6000	Debtors 25000 Less prov. 3000	 22000
General reserve	12000	Stock	18000
Ram's capital	40000	Furniture	30000
Bishen's capital	40000	Machinery	80000
Chintan's capital	30000	Building	60000
	168000		168000

B retired on 1st January 2005 on the following terms:
Provision for doubtful debts will be reduced by Rs 1000.
Stock will be depreciated by 10-% and furniture by 5%.
Creditors will be written back by 6000.
liability against workmen compensation fund is determined at Rs 4000.
Goodwill of the firm is valued at Rs 24000 and same is not to be shown in the books.
The capital of the new firm be fixed at Rs.150000 and the same is to be adjusted in their new profit sharing ratio between A & C i.e. 1:1. (adjustment to be made in cash)
Prepare revaluation account, partner's capital account and the balance sheet of A & C.

OR

P ,Q & R were Partners sharing profits in the ratio of 1/2: 1/3:1/6. They provide following information on 31st December 2014. Creditors Rs 108000; debtors Rs 100000 and Provision for doubtful debts Rs 2000; Machinery Rs 240000; Land and Building Rs 500000 stock Rs 90000; Cash at Bank Rs 80000.
On the date Q wants to retire. P & R decided to share future profits in the ratio of 4:3. Fill in the missing figures in the Revaluation A/c, Partners capital A/c and the Balance Sheet of the new firm:

Revaluation Account

Particulars	Amount	Particulars	Amount
To Prov. for D. Debts To--------------- To outstanding Repairs To profits: P Q R	3000 ---------- 15000	By---------------- By --------------	------------- ------------
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Partners capital Account

Particulars	P	Q	R	Particulars	P	Q	R
To Q's capital To Bank To Q's loan To balance c/d	18000 -----------	------------ ----------- ------------	---------- -----------	By balance b/d By Revaluation By P's capital (goodwill) By R's capital (goodwill)	450000 --------	300000 --------- -------- --------	150000 ---------
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Balance sheet of P & R 9(after Q's Retirement) (as on 31stdecember 2014)

Liabilities	Amount	Assets	Amount
Creditors Outstanding Repair Q's Loan P's Capital R's Capital	---------- ---------- 344000 ------------ ------------	Cash at Bank Debtors 100000 less: Prov. for D.D (5000) Stock Unexpired Insurance Machinery Land and Building	 90000 10000 228000 550000
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