

## WORKSHEET (A) - ACCOUNTS

### XII COMMERCE

#### CH : RETIREMENT OF A PARTNER

Q1] A , B and C were carrying on business with the following assets with effect from 1<sup>st</sup> April ,2011. Furniture Rs. 18,000; Machinery Rs. 72,000; Cash Rs. 10,000; Debtors Rs. 20,000. Their profit sharing ratio was 5:3:2. Capital is also shared in the same ratio. B died on 30<sup>th</sup> September, 2011. His son claimed his father's interest in the firm.

The following was the settlement:

1. Allow his capital to his credit on the date of death.
2. Give 5% p.a. interest on his capital.
3. He had been drawing @ Rs. 600 per month which he withdrew at the beginning of each month. He be allowed to retain these drawings as part of his share of profit.
4. Interest @6% p.a. be charged on his drawings.
5. Goodwill was evaluated twice the average of profits which were Rs. 21,000.

Prepare B's personal account.