**Principle of accounting II, individual Assignment**

**Maximum marks=15**

**Submission date, May 19, 2012 E.C**

1. Hibret co. data for the month of Miyaziya, 2011 E.C and the management commonly expects a worker to work 40 hours in a week and during Miyaziya, 2011 all workers have done as they have been expected. Besides, all workers of this agency are permanent employees except Senait Bahru and her monthly allowance is free from tax; Kirkos Woldie agreed for monthly Br. 500 be deducted and paid for charity association.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| S.No. | Name of Employee | Basic Salary | OT hours Worked | Duration of OT work | Monthly Allowance | Basic Salary Per Hour |
| 1 | Senait Bahru | 320 | 8 | 4 hour Weekly rest days | 1000 |  |
| 4 hour public holiday |
| 2 | Petros Chala | 2400 | 10 | Public holiday | 2000 |  |
| 3 | Abdu Mohammed | 4000 | 5 | 10 P.m. –6 A.m | 2200 |  |
| 4 | Leila Jemal | 5600 | --- | --- | --- |  |
| 5 | Kirkos Woldie | 11200 | 20 | Up to 10 P.m | 3000 |  |

Instructions: Based on the above Information

1. Prepare a payroll register (or sheet) for the organization for the month of Miyaziya, 2011 E.C
2. Record the payment of salary and the accrued liabilities as of Miyaziya, 2011 E.C.
3. Record the payroll taxes expense for the month of Miyaziya, 2011 E.C
4. Record the payment of the claim of the charity association and other payroll related liabilities tothe concerned authorities (withholding taxes, and payroll taxes) that arouse from Miyaziya, 2011 E.C
5. **The following balance sheet is related to YOGA partnership**

YOGA Partnership

Balance sheet

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Assets: Liabilities and Capital

Cash-------------------------Birr 20,000 Liabilities--------------Birr 30,000

Other assets--------------------- 80,000 Capital:

Y.capital-------------------- 40,000

G. capital------------------- 21,000

\_\_\_\_\_\_\_ A. capital------------------- 9,000

Total Liabilities and

Total Assets---------------- Birr 100,000 Capital-----------------------100,000

The partners agreed to liquidate the business enterprise by selling other assets and dividing any remaining cash available in the partnership after settling the debt of the partnership as of the date of liquidation. All the partners are general partners. Partner Y, G and A share income or loss in the ratio of 20%, 40%, and 40% respectively.

*Required:*

1. prepare a liquidation statement assuming that the other assets were realized for:
   1. Birr 80,000
   2. Birr 100,000
   3. Birr 60,000
   4. Birr 50,000
      1. Journalize the necessary entries for the business enterprise on the basis of the liquidation statement prepared for each case
2. **Dagnachew and Firdu formed a partnership. Dagnachew invested Birr 90,000 and Firdu invested Birr 60,000. Dagnachew is to devote one-half time to the business while Firdu is to devote full time. The following plans for the division of income are being considered**:
3. Equally
4. in the ratio of original investments
5. in the ratio of time devoted to the business
6. Interest of 12% on original investments and the reminder equally.
7. Interest of 12% on original investments, salaries of Birr 10,000 to Dagnachew and Birr 20,000 to Firdu, and the remainder equally