



## INDIAN SCHOOL AL WADI AL KABIR

<b>Class: XII</b>	<b>Department: Commerce</b>
<b>Worksheet: 2</b>	<b>Chapter: PARTNERSHIP ACCOUNTING – FUNDAMENTALS</b>

1. A partner draws ₹10,000 from the firm for own use. Under the partnership deed, interest on drawings is to be charged @ 6% p.a. Calculate interest on drawings if the above amount is withdrawn:

- In the beginning of the month
- In the middle of the month.
- At the end beginning of every quarter

2. A, B and C started a firm on 1<sup>st</sup> October, 2024 sharing profits equally. A drew regularly ₹ 4,000 in the beginning of every month for the six months ended 31<sup>st</sup> March, 2025 B drew regularly ₹4,000 at the end of every quarter for the six months ended 31<sup>st</sup> March, 2025. C withdrew at the middle of every month, his total drawings was ₹12,000 for the period ending 31<sup>st</sup> March, 2025. Calculate interest on drawings @5% p.a. for the period ended 31<sup>st</sup> March, 2025.

3. A and B are partners in a business and their capitals at the end of the year were ₹7,00,000 and ₹6,00,000 respectively. Calculate their opening capitals on the basis of the following information. Drawings of A and B for the year were ₹75,000 and ₹50,000 respectively. B introduced capital of ₹1,00,000 during the year.

Interest on capital credited to the capital accounts of A and B were ₹15,000 and ₹10,000 respectively.

- Interest on drawings debited to the capital accounts of A and B were ₹7,500 and ₹5,000 respectively.
- Share of profit credited to capital accounts was ₹10,000 each.

Calculate the opening capital for both the partners.

4. Kamal and Kapil are partners having capitals of ₹5,00,000 each as on 1<sup>st</sup> April, 2024. On 1<sup>st</sup> October 2024 the partners decided to keep the total capital as 10,00,000 for the firm in the ratio 2:3 among themselves. For this purpose the partners added or withdrew capital as the case may be. Interest on Capital is to be allowed @ 10% p.a.

Pass Journal entry for interest on capital for the year ended 31<sup>st</sup> March 2025.

5. Rakshit and Malik are partners in a firm sharing profits and losses in the ratio of 4 : 1. On 1<sup>st</sup> April, 2024, their capitals were ₹1,20,000 and ₹80,000 respectively. On 1<sup>st</sup> July 2024, they decided that the total capital of the firm should be ₹3,00,000 to be contributed by them in the ratio of 2 : 1. According to the partnership deed, interest on capital is allowed to the partners @ 6% p.a. Calculate interest on capital to be allowed for the year ending 31<sup>st</sup> March, 2025.

6. X and Y are partners in a firm. X is entitled to a salary of ₹10,000 per month and commission of 10% of the net profit after partners' salaries but before charging commission. Y is entitled to a salary of ₹25,000 p.a. and commission of 10% of the net profit after charging all commission and partners' salaries. Net profit before providing for partners' salaries and commission for the year ended 31<sup>st</sup> March, 2025 was ₹4,20,000.  
Show distribution of profit. Show the calculations clearly.

7. X and Y entered into partnership on 1<sup>st</sup> April, 2022. After running the business successfully for two years, their capitals as on 1<sup>st</sup> April, 2024 were ₹ 2,00,000 and ₹1,50,000 respectively. On 1<sup>st</sup> October, 2024, X gave ₹50,000 as loan to the firm. As per the provisions of the partnership deed:

20% of the profits before charging interest on drawings but after making appropriations was to be transferred to general reserve.

Interest on capital is to be allowed @ 12% p.a. and interest on drawings is to be charged @ 10% p.a.

X to get monthly salary of ₹5,000 and Y to get salary of ₹22,500 per quarter.

X is entitled to a commission of 5% on Sales. Sales for the year were ₹3,50,000.

Profit to be shared in the ratio of their capitals up to ₹1,75,000 and balance equally. Profit for the year ended 31<sup>st</sup> March, 2020 before allowing or charging interest was ₹4,61,000.

The drawings of X and Y were ₹1,00,000 and ₹1,25,000 respectively.

Prepare profit and loss Appropriation account and the partners' Capital Accounts.

8. Sunny, Sachin and Sumit were partners sharing profit and loss in the ratio 3:4:3. The capital of the partners on 1.4.2024 were Sunny: ₹6,00,000; Sachin: ₹4,00,000 and Sumit: ₹2,00,000. Their Partnership Deed provided for the following:

i. Interest on capital @6% p.a

ii. Interest on drawings @12% p.a

iii. Annual Salary to Sunny ₹24,000.

iv. Sachin was guaranteed a profit of ₹80,000 by other two partners.

Sumit's house was rented for the firm from 1.10.2024 at a monthly rent of ₹2,500.

Sachin and Sumit withdrew ₹15,000 each during the year.

The profit earned by the firm before any charges was ₹3,15,000

Prepare Profit/Loss Appropriation A/c for the year ended 31.03.2025.

9. Amay, Anmol and Rohan entered into partnership on 1st July, 2021 to share profits and losses in the ratio of 3:2:1. Amay guaranteed that Rohan's share of profit after charging interest on capital @ 6% p.a would not be less than ₹36,000 p.a. Their fixed capital balances are: ₹ 2,00,000, ₹1,00,000 and ₹1,00,000 respectively. Profit for the year ended 31st March, 2022 was ₹1,38,000. Prepare Profit and Loss Appropriation A/c.

10. Maanika, Bhavi and Komal are partners sharing profits in the ratio of 6:4:1. Komal is guaranteed a minimum profit of ₹2,00,000. The firm incurred a loss of ₹22,00,000 for the year ended 31st March, 2018. Pass necessary journal entry regarding deficiency borne by Maanika and Bhavi and prepare Profit and Loss Appropriation Account.

11. Jain and Gupta were partners in a firm sharing profits and losses in the ratio of 3 : 1. On 1st April, 2024, Agarwal was admitted as a new partner for 1/5th share in the profits of the firm and was admitted on a guaranteed amount of ₹75,000. Any deficiency arising out of the guarantee will be borne by Jain and Gupta in the ratio of 1:3. During the year ended 31st

March, 2025, the firm earned a net profit of ₹3,00,000. Prepare Profit and Loss Appropriation Account of Jain, Gupta and Agarwal for the year ended 31st March, 2025.

12. A, B and C were partners in a firm sharing profits and losses in the ratio of 3:3:4. On 1<sup>st</sup> April, 2024 the balances in their capital and current accounts were as follows:

	Capital Accounts (₹)	Current Accounts (₹)
A	4,00,000 Cr	20,000 Dr
B	5,00,000 Cr	10,000 Dr
C	6,00,000 Cr	15,000 Dr

The deed provided the following terms:

(i) Interest on capital @9% p.a.

(ii) Salary to A ₹50,000 per quarter.

On 1<sup>st</sup> January, 2025, C had given a loan of ₹2,00,000 to the firm @6% p.a. interest. During the year their drawings were A - ₹ 40,000, B - ₹75,000 and C - ₹55,000. On 1<sup>st</sup> October, 2024 A introduced further capital ₹2,00,000. The net profit of the firm before allowing interest on C's loan was Rs. 4,00,000

Prepare Profit and loss Appropriation account of the firm for the year ending 31<sup>st</sup> March, 2025 and the current account of the partners.

13. L, M and N are partners in a firm sharing profits & losses in the ratio of 2 : 3 : 5. On April 1<sup>st</sup>, 2024 their fixed capitals were ₹2,00,000, ₹3,00,000 and ₹4,00,000 respectively. Their partnership deed provided for the following:

(i) Interest on capital @ 9% per annum.

(ii) Interest on Drawings @ 12% per annum.

(iii) Interest on partners' loan @ 12% per annum. On July 1, 2024, L brought Rs. 1,00,000 as additional capital and N withdrew ₹1,00,000 from his capital.

During the year L, M and N withdrew ₹12,000, ₹18,000 and ₹24,000 respectively for their personal use. On January 1, 2024 the firm obtained a Loan of ₹1,50,000 from M. The Net profit of the firm for the year ended March 31, 2025 after charging interest on M's Loan was ₹85,000. Prepare Profit & Loss Appropriation Account and Partners Capital Account.

14. Payal, Himani and Rachna were partners in a firm sharing profits/loss equally. Their respective fixed capitals were Payal - ₹4,00,000; Himani- ₹5,00,000 and Rachna - ₹6,00,000. The partnership deed provided for allowing interest on capital @ 10% p.a.

Interest on drawings will be charged @ 18% p.a. The interest on drawings were Payal- ₹700; Himani- ₹500 and Rachna- ₹1,800.

Both the interest was omitted while preparing the accounts.

Pass necessary journal entry to rectify the above errors showing your workings clearly.

15. Meera, Neena and Ojas were partners in a firm sharing profits and losses in the ratio of 5 : 3 : 2. The partnership deed provided for charging interest on drawings @ 10% p.a. The drawings of Meera, Neena and Ojas during the year ended 31st March, 2025 amounted to ₹ 60,000, ₹ 50,000 and ₹ 40,000 respectively. After the final accounts had been prepared, it was discovered

that interest on drawings had not been taking into consideration.

Pass the necessary adjustment entry.

16. X and Y were partners in a firm. Their fixed capitals were ₹70,000 and Rs.50,000 respectively.

The partnership deed provided for the following:

(i) Interest on capital @ 10% per annum.

(ii) Interest on drawings @ 12% per annum. During the year ended 31.03.2025, X withdrew ₹20,000 and Y withdrew ₹10,000 for personal use.

Net profit of the firm for the year ended 31.03.2025 - ₹24,000 was distributed without providing the above provisions of the deed.

Pass the necessary adjusting entry showing all the calculations.

17. Ajay, Manish and Sachin were partners sharing profits in the ratio 5:3:2. Their Capitals were ₹6,00,000; ₹8,00,000 and ₹11,00,000 as on April 01, 2024. As per Partnership deed, Interest on Capitals were to be provided @ 10% p.a. For the year ended March 31, 2025, Profits of ₹2,00,000 were distributed without providing for Interest on Capitals.

Pass an adjustment entry and show the workings clearly.

18. Rohit, Raman and Raina are partners in a firm. Their capital accounts on 1st April, 2024, stood at ₹2,00,000, ₹1,20,000 and ₹1,60,000 respectively. Each partner withdrew ₹15,000 during the financial year 2024-25.

As per the provisions of their partnership deed:

(a) Interest on capital was to be allowed @ 5% per annum.

(b) Interest on drawings was to be charged @ 4% per annum.

(c) Profits and losses were to be shared in the ratio 5:4:1.

The net profit of ₹72,000 for the year ended 31st March 2025, was divided equally amongst the partners without providing for the terms of the deed.

You are required to pass a single adjustment entry to rectify the error (Show workings clearly).

19. Sharma and Verma were partners in a firm sharing profits and losses in the ratio of 3 : 2. Their fixed capitals were ₹14,00,000 and ₹10,00,000 respectively. The partnership deed provided for the following :

(i) Interest on capital @ 10% per annum.

(ii) Interest on drawings @ 12% per annum.

During the year ended 31.03.2025, Sharma withdrew and Verma withdrew ₹2,00,000 and ₹1,00,000. After preparing the accounts for the year ended 31.03.2025, it was realised that interest on capital was not allowed and interest on drawings was not charged.

Showing your working notes clearly pass necessary journal entries in the books of the firm to rectify the above error.

20. Ajay, Binay and Chetan were partners sharing profits in the ratio of 3:3:2. The partnership deed provided for the following:

(a) Salary of ₹2,000 per quarter to Ajay and Binay.

(b) Chetan was entitled to a Commission of ₹8,000

(c) Binay was guaranteed a profit of ₹50,000 p.a

The profit of the firm for the year ended 31st March, 2025 was ₹1,50,000 which was distributed among Ajay, Binay and Chetan in the ratio of 2:2:1, without taking into consideration the provisions of the partnership deed.

Pass rectifying entry for the above adjustments in the books.