



INDIAN SCHOOL AL WADI AL KABIR

Class: XII Accountancy	Department: Commerce
Worksheet No: 1	Topic: ACCOUNTING FOR PARTNERSHIP FIRMS – FUNDAMENTALS

1. Akhilesh partner draws Rs. 8,000 per month. Under the partnership deed, interest on drawings is to be charged @ 12% p.a. Calculate interest on drawings for the year ended 31/03/22 if the drawings are made regularly:

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

2. Calculate interest on drawings of Akshay @ 12% p.a. for the year ended 31st March, 2022 in each of the following cases:

- If he withdrew Rs. 40,000 in the beginning of each quarter.
- If he withdrew Rs. 40,000 at the end of each quarter.
- If he withdrew Rs. 40,000 in the middle of each quarter.

3. A, B and C started a firm on 1st October, 2021 sharing profits equally. A drew regularly Rs. 5,000 in the beginning of every month, B drew regularly Rs. 5,000 at the end of every month, C drew regularly Rs. 5,000 in the middle of every month. Calculate interest on drawings @ 12% p.a. for the period ended 31st March, 2022 and pass journal entries.

4. Calculate interest on drawings of Rakesh @ 10% p.a. for the year ended 31st March, 2022 in each of the following cases:

- If his drawings during the year were Rs. 30,000.
- If he withdraws Rs. 2,500 per month during the year.

5. Bob and Marley are partners in a firm. They withdrew Rs. 48,000 and Rs. 36,000 respectively during the year evenly in the middle of every month. According to the partnership deed, interest on drawings is to be charged @ 12% p.a. Calculate interest on drawings of the partners and journalize.

6. Kumar and Gaurang are partners doing a dry cleaning business in Lucknow, sharing profits in the ratio 2:1 with capitals Rs. 5,00,000 and Rs. 4,00,000 respectively. Kanika withdrew the following amounts during the year to pay the hostel expenses for her son:

1 st April	Rs. 10,000
1 st June	Rs. 9,000
1 st November	Rs. 14,000
1 st December	Rs. 5,000

Gautam withdrew Rs. 15,000 on the last day of June, Sept, Dec and March to pay rent for the accommodation of his family. He also paid Rs. 20,000 per month as rent for the office of partnership which was in a nearby shopping complex. Calculate interest on drawings @ 12% p.a. & journalize.

7. A and B are partners in a business and their capitals at the end of the year were Rs. 7,00,000 and Rs. 6,00,000 respectively. Calculate their opening capitals on the basis of the following information:

- Drawings of A and B for the year were Rs. 75,000 and Rs. 50,000 respectively.
- B introduced capital of Rs. 1,00,000 during the year.
- Interest on capital credited to the capital accounts of A and B were Rs. 15,000 and Rs. 10,000 respectively.
- Interest on drawings debited to the capital accounts of A and B were Rs. 7,500 and Rs. 5,000 respectively.
- Share of profit credited to capital accounts was Rs. 10,000 each.

8. Kamal and Kapil are partners having fixed capitals of Rs. 5,00,000 each as on 31st March, 2021. Kamal introduced further capital of Rs. 1,00,000 on 1st October, 2020 whereas Kapil withdrew Rs. 1,00,000 on 1st October 2020 out of capital. Interest on Capital is to be allowed @ 10% p.a. Pass Journal entry for interest on capital for the year ended 31/03/21.

9. Sim and Roma are partners sharing profits and losses in the ratio of 3:2. Their capitals as on 31st March, 2021 were Rs. 2,00,000 each whereas Current Account had balances of Rs. 50,000 and Rs. 25,000 respectively. Interest on capital is to be allowed @ 10% p.a. The firm earned net profit of Rs. 3,00,000 for the year ended 31st March, 2021. Pass Journal entries for interest on capital.

10. Noor and Suhana are partners with Capitals of Rs. 3,00,000 each as on 31st March, 2021. Noor had withdrawn Rs. 50,000 against Capital on 1st October, 2020 and Rs. 1,00,000 drawings against profit. Suhana also had drawings of Rs. 1,00,000. Interest on Capital is to be allowed @ 10% p.a. Pass journal entry for interest on capital for theyear ended 31/03/21

11. On 1st April, 2021, Jay and Vijay entered into partnership for supplying laboratory equipments to government schools situated in remote and backward areas. They contributed capitals of Rs. 80,000 and Rs. 50,000 respectively and agreed to share the profits in the ratio of 3:2. The partnership deed provided that interest on capital shall be allowed @ 9% p.a. During the year the firm earned a profit of Rs. 7,800. Prepare Profit and Loss Appropriation Account for the year ended 31st March, 2022.

12. A and B were partners sharing profits and losses in the ratio of 5:3. On 1st April 2021, their capital accounts showed balances of Rs. 3,00,000 and Rs. 2,00,000 respectively. Calculate the amount of profit to be distributed between the two partners if the partnership deed provided for interest on capital @ 10% p.a. and the firm earned a profit of Rs. 45,000 for the year ended 31st March, 2022.

13. A, B and C are partners sharing profits and losses in the ratio of 2:2:1. A is entitled to a commission of 10% on the net profit. The net profit for the year is Rs. 1,10,000. Determine the amount of commission payable to A.

14. X, Y and Z are partners sharing profits and losses equally. As per partnership deed, Z is entitled to a commission of 10% on the net profit after charging such commission. The net profit before charging commission is Rs. 2,20,000. Determine the amount of Commission payable to Z.

15. A, B, C and D are partners in a firm sharing profits in the ratio of 4:3:2:1. It earned net profit of Rs. 1,80,000 for the year ended 31st March, 2022. As per the partnership deed, they are to charge a commission @ 20% of the profits after charging such commission which they will share as 2:3:2:3. You are required to show appropriation of profits among partners.

16. X and Y are partners in a firm. X is entitled to a salary of Rs. 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 Rs. 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 31st March, 2022 was Rs. 4,20,000. Show distribution of profit.

17. A, B and C were partners in a firm sharing profits and losses in the ratio of 3:3:4. On 1st April, 2021 the balances in their capital and current accounts were as follows:

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

Their partnership deed provided for the following:

(i) Interest on capital @10% p.a. & interest on drawings is charged @ 12%p.a.

(ii) Salary to A Rs. 10,000 per quarter.

On 1st January, 2022, C had given a loan of Rs. 2,00,000 to the firm. During the year their drawings were A Rs. 40,000, B Rs. 75,000 and C Rs. 55,000. The net profit of the firm before allowing interest on C's loan was Rs. 3,53,000

Prepare Profit and loss Appropriation account of the firm for the year ending 31st March, 2022 and the current account of the partners.

18. Sonu and Rajat started a partnership firm on 1st July, 2021. They contributed Rs. 8,00,000 and Rs. 4,00,000 respectively as their capitals and decided to share profits and losses in the ratio of 3:2.

The partnership deed provided that Sonu was to be paid a salary of Rs. 10,000 per month and Rajat a commission of 5% on turnover. It also provided that interest on capital be allowed @ 10% p.a. Sonu withdrew Rs. 20,000 on 1st December, 2021 and Rajat withdrew Rs. 5,000 at the end of each month. Interest on drawings was charged @12% p.a. On 1/10/21 Sonu gave his showroom for rent @ 5,000 per month to the firm The net profit as per Profit and Loss Account for the year ended 31st March, 2022 was Rs. 6,30,000. The turnover of the firm for the year ended 31st March, 2022 amounted to Rs. 20,00,000. Prepare Profit & loss appropriation account and partners' capital account.

19. X and Y entered into partnership on 1st April, 2017. Their capitals as on 1st April, 2021 were Rs. 2,00,000 and Rs. 1,50,000 respectively. On 1st October, 2021, X gave Rs. 50,000 as loan to the firm. As per the provisions of the partnership deed:

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

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

(iii) X to get monthly salary of Rs. 5,000 and Y to get salary of Rs. 22,500 per quarter.

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

(v) Profit to be shared in the ratio of their capitals up to Rs. 1,75,000 and balance equally.

Profit for the year ended 31st March, 2022 before allowing or charging interest was Rs. 4,61,000. The drawings of X and Y were Rs. 1,00,000 and Rs. 1,25,000 respectively.

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

20. X and Y are partners in a firm sharing profits and losses in the ratio of 2:1. Their fixed capitals were Rs. 5,00,000 and Rs. 3,00,000 respectively. Interest on capital is allowed @ 9% p.a. while interest on drawings is charged @ 12% p.a. X is allowed a salary of Rs. 4,000 per month. Interest on Y's loan of Rs.2,00,000 is to be provided at 6%p.a. During the year X's drawings were Rs. 60,000 and Y's drawings were Rs. 72,000. 5% of the net profit is to be transferred to general reserve.

Incomplete profit and loss appropriation account for the year ended 31st March, 2022 prepared by the firm is given below:

Profit and Loss Appropriation A/c for the year ended 31st March, 2022

Particulars	Amount	Particulars	Amount
To Interest on Capital:		By Profit and Loss A/c:	
X's Current A/c ?		Net profit b/d	?
Y's Current A/c ?	?		
To Salary:		By Interest on Drawings:	
X's Current A/c	?	X's Current A/c ?	
		Y's Current A/c ?	?
To General Reserve	15,000		
To Profit transferred to :			
X's Current A/c ?			
Y's Current A/c ?	?		
	?		?

Complete the Profit and Loss Appropriation Account of X and Y for the year ended 31st March, 2022