ACCOUNTANY-WORKSHEET

1. Rakhi and Shikha are partners in a firm, with capitals of Rs. 2,00,000 and Rs, 3,00,000 respectively. The profit of the firm, for the year ended 2016-17 is Rs. 23,200. As per the Partnership agreement, they share the profit in their capital ratio, after allowing a salary of Rs. 5,000 per month to Shikha and
interest on Partner's capital at the rate of 10% p.a. During the year Rakhi withdrew Rs. 7,000 and Shikha Rs. 10,000 for their personal use. As per partnership deed, salary and interest on capital appropriation treated as charge on profit. You are required to prepare Profit and Loss Appropriation Account and Partner's Capital Accounts.

2. The partnership agreement between Maneesh and Girish provides that:
(i) Profits will be shared equally;
(ii) Maneesh will be allowed a salary of Rs. 400 p.m;
(iii) Girish who manages the sales department will be allowed a commission
equal to 10% of the net profits, after allowing Maneesh's salary;
(iv) 7% p.a. interest will be allowed on partner's fixed capital;
(v) 5% p.a. interest will be charged on partner's annual drawings;

(vi) The fixed capitals of Maneesh and Girish are Rs. 1,00,000 and Rs. 80,000, respectively. Their annual drawings were Rs. 16,000 and 14,000, respectively. The net profit for the year ending March 31, 2019 amounted to Rs. 40,000;
Prepare firm's Profit and Loss Appropriation Account.

3. Ram, Raj and George are partners sharing profits in the ratio 5 : 3 : 2. According to the partnership agreement George is to get a minimum amount of Rs. 10,000 as his share of profits every year. The net profit for the year 2013 amounted to Rs, 40,000. Prepare the Profit and Loss Appropriation Account.

4. Simmi and Sonu are partners in a firm, sharing profits and losses in the ratio of 3:1. The profit and loss account of the firm for the year ending March 31, 2020 shows a net profit of Rs. 1,50,050. Prepare the Profit and Loss Appropriation Account and partners current account by taking into consideration the following information:
(i) Partners capital on April 1, 2019; Simmi, Rs. 30,000; Sonu, Rs. 60,000;
(ii) Current accounts balances on April 1, 2016; Simmi, Rs. 30,000 (cr.); Sonu, Rs. 15,000 (cr.);
(iii) Partners drawings during the year amounted to Simmi, Rs. 20,000; Sonu, Rs. 15,000;
(iv) Interest on capital was allowed @ 5% p.a.;
(v) Interest on drawing was to be charged @ 6% p.a. at an average of six months;
(vi) Partners' salaries : Simmi Rs. 12,000 and Sonu Rs. 9,000.

5. Arvind and Anand are partners sharing profits and losses in the ratio 8:3:1 Balances in their capital accounts on April 01, 2019 were, Arvind- Rs. 4,40,000 and Anand Rs. 2,60,000. As per their agreement, partners were entitled to interest on capital @ 5% p.a., and interest on drawings was to be charged
@ 6% p.a. Arvind was allowed an annual salary of Rs. 35,000/- for the additional responsibilities taken up by him. Partners drawings for the year were, I Arvind Rs. 40,000 and Anand Rs. 28,000. Profit and loss account of the firm for the year ending March 31, 2020 showed a Net Loss of Rs. 32,400. Prepare Profit
and Loss Appropriation Account.

6. Ramesh and Suresh were partners in a firm sharing profits in the ratio of their capitals contributed on commencement of business which were Rs. 80,000 and Rs. 60,000 respectively. The firm started business on April 1, 2016. According to the partnership agreement, interest on capital and drawings are 12% and 10% p.a., respectively. Ramesh and Suresh are to get a monthly salary of Rs. 2,000 and Rs. 3,000, respectively. The profits for year ended March 31, 2017 before making above appropriations was Rs. 1,00,300. The drawings of Ramesh and Suresh were Rs. 40,000 and Rs. 50,000, respectively. Interest on drawings amounted to Rs. 2,000 for Ramesh and Rs. 2,500 for Suresh. Prepare Profit and Loss

Appropriation Account and partners' capital accounts, assuming that their capitals are fluctuating.

7. Sukesh and Vanita were partners in a firm. Their partnership agreement provides that:
(i) Profits would be shared by Sukesh and Vanita in the ratio of 3:2;
(ii) 5% interest is to be allowed on capital;
(iii) Vanita should be paid a monthly salary of Rs. 600.
The following balances are extracted from the books of the firm, on March 31, 2017.

	Sukesh	Vanita
Capital Account	40000	40000
Current Account	7200	2800
Drawings	10850	8150

Net profit for the year, before charging interest on capital and after charging Sukesh's salary was Rs. 9,500. Prepare the Profit and Loss Appropriation Account and the Partner's Current Accounts.

8. Rahul, Rohit and Karan started partnership business on April 1, 2019 with capitals of Rs. 20,00,000, Rs. 18,00,000 and Rs. 16,00,000, respectively. The profit for the year ended March 2020 amounted to Rs.1,35,000 and the partner's drawings had been Rahul Rs. 50,000, Rohit Rs. 50,000 and KaranRs. 40,000. The profits are distributed among partner's in the ratio of 3:2:1. Calculate the interest on capital @ 5% p.a.

9.Sunflower and Pink Rose started partnership business on April 01, 2019 with capitals of Rs. 2,50,000 and Rs.1,50,000, respectively. On October 01, 2016, they decided that their capitals should be Rs. 2,00,000 each. The necessary adjustments in the capitals are made by introducing or withdrawing cash.

Interest on capital is to be allowed @ 10% p.a. Calculate interest on capital as on March 31, 2020.

10.On March 31, 2017 after the close of accounts, the capitals of Mountain, Hill and Rock stood in the books of the firm at Rs. 4,00,000,Rs.3,00,000 and Rs. 2,00,000, respectively. Subsequently, it was discovered that the interest on capital @ 10% p.a. had been omitted. The profit for the year amounted to

Rs. 1,50,000 and the partner's drawings had been Mountain: Rs. 20,000, Hill Rs. 15,000 and Rock Rs. 10,000. Calculate interest on capital.

11.Rishi is a partner in a firm. He withdrew the following amounts during the year ended March 31, 2020.

May 01, 2019	Rs. 12,000
July 31, 2019	Rs. 6,000

September 30, 2019	Rs. 9,000
November 30, 2019	Rs. 12,000
January 01, 2020	Rs. 8,000
March 31, 2020	Rs. 7,000

Interest on drawings is charged @ 9% p.a.Calculate interest on drawings

12.The capital accounts of Moli and Golu showed balances of Rs.40,000 and Rs. 20,000 as on April 01, 2019. They shared profits in the ratio of 3:2. They allowed interest on capital @ 10% p.a. and interest on drawings, @ 12 p.a. Golu advanced a loan of Rs. 10,000 to the firm on August 01, 2019. During the year, Moli withdrew Rs. 1,000 per month at the beginning of every month whereas Golu withdrew Rs. 1,000 per month at the end of every month. Profit for the year, before the above mentioned adjustments was Rs.20,950. Calculate interest on drawings show distribution of profits.

13.Rakesh and Roshan are partners, sharing profits in the ratio of 3:2 with capitals of Rs. 40,000 and Rs. 30,000, respectively. They withdrew from the firm the following amounts, for their personal use:

Rakesh	*Month*		*Rs.*
	May 31, 2019	600	
	June 30, 2019	500	
	August 31, 2019		1,000
	November 1, 2019	400	
	December 31, 2019	1,500	
	January 31, 2020	300	
	March 01, 2020		700

Rohan *At the beginning of each month 400*

Interest on drawings is to be charged @ 6% p.a. Calculate interest on drawings, assuming that book of accounts are closed on March 31, 2017, every year.

14.Anju, Manju and Mamta are partners whose fixed capitals were Rs. 10,000, Rs. 8,000 and Rs. 6,000, respectively. As per the partnership agreement, there is a provision for allowing interest on capitals @ 5% p.a. but entries for the same have not been made for the last three years. The profit sharing ratio during there years remained as follows:

Year	Anju	Manju	Mamta
2016	4	3	5
2017	3	2	1
2018	1	1	1

Make necessary and adjustment entry at the beginning of the fourth year i.e. April 2019.

15.Mohan, Vijay and Anil are partners, the balances in their capital accounts being Rs. 30,000, Rs. 25,000 and Rs. 20,000 respectively. In arriving at these figures, the profits for the year ended March 31, 2017 amounting to Rupees 24,000 had been credited to partners in the proportion in which they shared profits. During the year the drawings of Mohan, Vijay and Anil were
Rs. 5,000, Rs. 4,000 and Rs. 3,000, respectively. Subsequently, the following omissions were noticed:
(a) Interest on Capital, at the rate of 10% p.a., was not charged.

(b) Interest on Drawings: Mohan Rs. 250, Vijay Rs. 200, Anil Rs. 150 was not recorded in the books.
Record necessary corrections through journal entries

16. On March 31, 2017 the balance in the capital accounts of Eluin, Monu and Ahmed, after making adjustments for profits, drawing, etc; were Rs. 80,000, Rs. 60,000 and Rs. 40,000 respectively. Subsequently, it was discovered that interest on capital and interest on drawings had been omitted.
The partners were entitled to interest on capital @ 5% p.a. The drawings during the year were Eluin Rs. 20,000; Monu, Rs. 15,000 and Ahmed, Rs. 9,000. Interest on drawings chargeable to partners were Eluin Rs, 500, Monu Rs. 360 and Ahmed Rs. 200. The net profit during the year amounted to Rs. 1,20,000.
The profit sharing ratio was 3 : 2 : 1. Record necessary adjustment entry.

17.Azad and Benny are equal partners. Their fixed capitals are Rs. 40,000 and Rs. 80,000, respectively. After the accounts for the year have been prepared it is discovered that interest at 5% p.a. as provided in the partnership agreement, has not been credited to the capital accounts before distribution of profits. It is
decided to make an adjustment entry at the beginning of the next year. Record the necessary journal entry.

18. Red, Blue and White were partners in a firm sharing profits in the ratio of 1 : 2 : 2. They decided to share future profits in the ratio of 7 : 5 : 3 with effect from 1st April, 2019. Their Balance Sheet as on that date showed a balance of Rs. 22,500 in Deferred Revenue Expenditure Account. Pass journal entry for writing off Deferred Revenue Expenditure.

19. R; S and T sharing profits and losses in the ratio of 1:2:3, decided to share future profit and losses equally. They also decided to adjust the following accumulated profits, losses and reserves without affecting their book figures, by passing a single adjustment entry:
General Reserve 40000 ; Profit and Loss A/c 30000 ; Share Issue expenses 10000
Pass the necessary adjustment entry.

20. Capital invested in a firm is Rs 5,00,000.Normal rate of return is 10% .Average profit of the firm are Rs 64,000(after an abnormal loss of Rs 4,000).Calculate Value of goodwill at four times the super profits and by capitalizing the average profit.

21. Abhay, Babu and Charu are partners sharing profits and losses equally. They agree to admit Daman for equal share of profit. For this purpose, the value of goodwill is to be calculated on the basis of four years' purchase of average profit of last five years. These profits for the year ended 31st March, were:

Year	2015	2016	2017	2018	2019
Profit/(Loss) (₹)	1,50,000	3,50,000	5,00,000	7,10,000	(5,90,000)

On 1st April, 2018, a car costing ₹ 1,00,000 was purchased and debited to Travelling Expenses Account, on which depreciation is to be charged @ 25%. Interest of ₹ 10,000 on Non-trade Investments is credit to income for the year ended 31st March, 2018 and 2019. Calculate the value of goodwill after adjusting the above.

22. A, B and C were partners sharing profits in the ratio of 5 : 4 : 3. They decided to change their profit sharing ratio to 2 : 2 : 1 w.e.f. 1st April, 2019. On that date, there was a balance Of Rs.3,00,000 in General Reserve and a debit balance of Rs.4,80,000 in the Profit and Loss Account. The goodwill of the firm was valued at Rs.60,000.

Pass necessary journal entries for the for the following-

a)Treatment of goodwill

b)Treatment of accumulated profits and losses if they are to be retained in the books.