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Questions:

3 Marks

1. Arun and Arora were partners in a firm sharing profits in the ratio of 5 : 3. Their fixed capitals as on 1.4.2010 were : Arun Rs. 60,000 and Arora Rs. 80,000. They agreed to allow interest on capital @ 12% p.a. and to charge on drawings @ 15% p.a. The profit of the firm for the year ended 31.3.2011 before all above adjustment were Rs. 12,600. The drawings made by Arun were Rs. 2,000 and by Arora Rs. 4,000 during the year. Prepare Profit and Loss Appropriation Account of Arun and Arora. Show your calculations clearly. The interest on capital will b allowed even if the firm incurs loss.

2. On 1-4-2013, 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 greed per annum. During the year, the firm earned a profit of Rs. 7,800.
Showing your calculations clearly, prepare 'Profit and Loss Appropriation Account' of Jay and Vijay for the year ended 31-3-2014.

3. A and B entered into partnership on 1st April, 2009 without any partnership deed. They introduced capitals of Rs. 5,00,000 and Rs. 3,00,000 respectively. On 31st October, 2009, A advanced Rs. 2,00,000 by was of loan to the firm without any agreement as to interest.
The profit and loss account for the year ended 31.03.2010 showed a profit Rs. 4,30,000 but the partners could not agree upon the amount of interest on loan to be charged and basic of division of profits. Pass a journal entry for the distribution of profit between the partners and prepare the capital A/cs of both the partners and Loan Account of A.

4. Krishna, Sandeep and Karim are partners sharing profits in the ratio of 3:2:1. Their fixed capitals are: Krishan Rs. 1,20,000, Sandeep 90,000 and Karim 60,000. For the year 2014-15, interest was credited to them @ 6% p.a. instead of 5% p.a. Record adjustment entries through P&L adjustments account.

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