

Summer vacation homework

Class:XII C

Subject:Accountancy

Numerical Questions

Fixed and fluctuating Capital

1. Triphati and Chauhan are partners in a firm sharing profits and losses in the ratio of 3;2. Their capitals were Rs.60,000 and Rs.40,000 as on 1st January 2005. During the year they earned a profit of Rs. 30,000. According to the partnership deed both the partners are entitled to Rs. 1000 per month as salary and 5% interest on their capital. They are also to be charged an interest of 5% on their drawings, irrespective of the period which is Rs. 12,000 for Triphati, Rs.8,000 for Chauhan. Prepare partners accounts when, capitals are fixed.

(Ans: Triphati's current account balance Rs.20,400, Chauhan's current account balance Rs.17,600)

2. Anuba and Kajal are partners of a firm sharing profits and losses in the ratio of 2:1. Their capital, were Rs.90,000 and Rs.60,000. The profit during the year were Rs.45,000. According to partnership deed, both partners are allowed salary, Rs.700 per month to Anuba and Rs.500 per month to Kajal. Interest allowed on capital at the rate of 5% per annum. The drawings at the end of the period were Rs.8,500 for Anuba and Rs.6,500 for Kajal. Interest is charged @ 5% p.a on drawings. Prepare partner's capital accounts, assuming that the capital accounts are fluctuating.

(Ans: Anubas's capital account balance Rs.1,23,975, Kajal's capital account balance Rs,77,175)

Distribution of Profits

3. Harshad and Dhiman are in partnership since April 1st 2006. No partnership agreement was made. They contributed Rs.4,00,000 and 1,00,000 respectively as capital. In addition, Harshad advanced an amount of Rs.1,00,000 to the firm, on October 1st 2006. Due to long illness Harshad could not participate in business activities from August 1st to September 30th, 2006. The profits for the year ended March 32, 2006 amounted to Rs.1,80,000. Dispute has arisen between Harshad and Dhiman.

Harshad claims:

- (i) he should be given interest @ 10% per annum on capital and loan.
- (II) Profit should be distributed in proportion of capital;

Dhiman claims:

- (I) profits should be distributed equally.
- (II) He should be allowed Rs.2,000 p.m. as remuneration for the period he managed the business, in the absence of Harshad:
- (III) Interest on capital and loan should be allowed @ 6% p.a.

You are required to settle the dispute between Harsahd and Dhiman. Also prepare Profit and Loss Appropriation Account.

(Ans. Harshad's share in profit Rs. 88,500. Dhiman's share in profit Rs.88,500)

4. Aakriti and Bindhu entered into partnership for making garments on April 1st, 2006 without any partnership agreement. They introduced Capitals of Rs.5,00,000 and Rs.3,00,000 respectively on October 1st, 2006. Aakriti advanced Rs. 20,000 by way of loan to the firm without any agreement as to interest. Profit and Loss account for the year ended March 2007 showed profit of Rs 43,000. Partners could not agree upon the question of interest and the basis of division of profit. You are required to divide the profits between them giving reason for your solution.

(Ans: Profit shares equal. Aakriti and Bindu Rs.21,200)

5 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 2006-07 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. You are required to prepare Profit and Loss Appreciation Account and Partner;s Capital Accounts.

(Ans: Loss Transferred to Rakhi Capital Rs. 34,720 and Shikha Capital Rs. 52,080)

6. Lokesh and Azad are partners sharing profits in the ratio 3:2 with capitals Rs. 50,000 and 30,000 respectively. Interest on capital is agreed to be paid @ 6% p.a. Azad is allowed a salary of Rs. 2,500 p.a. During 2006, the profits prior to the calculation of interest on capital but after charging Azad's salary, amounted to Rs. 12,500. A provision of 5% of profits is to be made in respect of manager's commission. Prepare accounts showing the allocation of profits and partner's capital accounts.

(Ans. Profit transferred to Lokesh's Capital Rs. 4,170 and Azad's Capital Rs. 2,780)

7. 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% interest will be allowed on partner's fixed capital.
- (v) 5% 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 31st , 2006 amounted to Rs. 40,000.

prepare firm's Profit and Loss Appropriation Account.

(Ans: Profit transferred to Capital Accounts of Maneesh and Girish, Rs. 10,290)

8. 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 2006 amounted to Rs. 40,000. Prepare the Profit and Loss Appropriation Account.

(Ans" Profit transferred TO Ram's Capital Rs. 18,750 RaJ's Capital Rs. 11,250 and George's Capital Rs. 10,000)

9. Aman, Babita and Suresh are partners in a firm. Their profit sharing ratio is 2:2:1. Suresh is guaranteed a minimum amount of Rs. 10,000 as share of profit, every year. Any deficiency on that account shall be met by Babita. The profits for two years ending December 31, 2005 and December 31, 2006 were Rs. 40,000 and Rs. 60,000 respectively. Prepare the Profit and Loss Appropriation account for the two years

(Ans : For the year 2005, profits transferred to Amann's Capital, Rs. 16,000 Babita's Capital Rs. 14,000 Suresh's Capktal Rs. 10,000 and for the year 2006. Profit transferred to Amann's Capital Rs. 24,000, Babita's Capital Rs. 24,000, Suresh's capital Rs. 12,000)

10. 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, 2006 shows a net profit of Rs. 1,50,000. Prepare the Profit and Loss Appropriation Account by taking into consideration the following information:

- (i) Partner's capital on April 1, 2005;
Simmi, Rs. 30,000; Sonu, Rs. 60,000;
- (ii) Current accounts balances on April 1, 2005;
- (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. Also show the partners' current accounts.

(Ans : Profit transferred to Simmi's Capital Rs. 92,587 and Sonu's Capital, Rs. 30,863)

11. Rahul, Rohit and Karan started partnership business on April 1, 2006 with capitals of Rs. 20,00,000, Rs. 18,00,000 and Rs. 16,00,000 respectively. The profit for the year ended March 2007 amounted to Rs. 1,35,000 and the partner's drawings had been Rahul Rs. 50,000, Rohit Rs. 50,000 and Karan Rs. 40,000. The profits are distributed among partners in the ratio 3:2:1. Calculate the interest on Capital @ 5% p.a.

(Ans : Rahul, Rs. 1,00,000, Rohit, Rs. 90,000, Karan Rs. 80,000)

12. Sunflower and pink Rose started partnership business on April 1, 2006 with capitals of Rs. 2,50,000 and Rs. 1,50,000 respectively. On October 1, 2006, 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, 2007.

(Ans : Total interest on Sunflower's capital Rs. 22,500 and on Pink Rose's Capital, Rs. 17,500)

13. On March 31, 2006 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 partners drawings had been Mountain: Rs. 20,000, Hill Rs. 15,000 and Rock Rs. 10,000.

(Ans : Interest on Capital Mountain, Rs. 37,000; Hi;; Rs. 26,500; Rock, Rs. 16,000)

14. Rishi is a partner in a firm. He withdrew the following amounts during the year ended March 31, 2007.

May 1, 2006	Rs. 12,000
July 31, 2006	Rs. 6,000
September 30, 2006	Rs. 9,000
November 30, 2006	Rs. 12,000
January 1, 2007	Rs. 8,000
March 31, 2007	Rs. 7,000

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

(Ans : Interest on drawing Rs.2,295)

15. The capital accounts of Moli and Golu showed balances Of Rs. 40,000 and Rs. 20,000 as on April 1, 2006. 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 1, 2006.

During the year Moli withdrew Rs. 1,000 per month at the beginning of every month, whereas Golu withdrew Rs. 1,000 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 and prepare partner's capital accounts.

(Ans : Interest on Drawings : Moli. Rs. 780; Golu, Rs. 660; Profits Moli, Rs. 9594, Golu, Rs. 6,396)

16. Harish is a partner in a firm. He withdrew the following accounts during the year 2006 :

	Rs.
February 1	4,000
May 1	10,000
June 30	4,000
October 31	12,000
December 31	4,000

Interest on drawings is to be charged @ 7 1/2 % p.a.

Calculate the amount of interest to be charged on Harish's drawings for the year ending December 31, 2006.

(Ans : Interest on Drawings Rs, 1,075)

17. Abhay, Siddharth and Kusum are partners in a firm, sharing profits in the ratio of 5: 3:2. Kusam is guaranteed a minimum amount of Rs. 10,000 as per share in the profits. Any deficiency arising on that account shall be met by Siddharth. Profits for the years ending March 31, 2006 and 2007 are Rs. 40,000 and Rs. 60,000 respectively. Prepare Profit and Loss Appropriation Account.

(Ans : year 2006 - Abhay Rs. 20,000, Siddharth Rs. 10,000, Kusum Rs. 10,000, year 2007 - Abhay Rs. 30,000, Siddarth Rs. 18,000, Kusum Rs. 12,000)

18. Radha, Mary and Fatima are partners in the ratio of 5:4:1. Fatima is given a guarantee that her share of profit, in any year will not be less than Rs. 5,000. The profits for the year ending March 31, 2006 amounts to Rs. 35,000. Shortfall if any, in the profits guaranteed to Fatima is to be borne by Radha and Mary in the ratio 3:2. Record necessary journal entries to show distribution of profits among partners.

(Ans : Deficiency borne by Radha, Rs. 900 and Mary, Rs. 600)

Investigatory Project

1. Analysis and Interpretation of financial Statements of corporate bodies.
2. Comprehensive Accounting problems.

Summer vacation homework

Class:XII C

Subject:Business Studies

Units II and III - Principles of Management, Business Environment.

Preparation of Questions and answers of all types (i.e., HOTS, Value based, application based, case study based, conceptual based questions, etc.,)

Investigatory Project

1. Principles of Management.
2. Case study on any product.
3. Labour Laws.
4. Product packaging methods.
5. Marketing mix.

