

- **Subject- Accounts** **Class- 12** **Topic- profit and loss app. Questions**

17. Ruchi and Prashant are partners sharing profits and losses in the ratio of 3 : 1. On 1st April, 2016, their capitals were ₹ 50,000, and ₹ 40,000 respectively. During the year ended 31st March, 2017, the profit of the firm accounted to ₹ 57,500 before taking into consideration the following :

(i) Interest on capital is to be allowed @ 5% p.a. (ii) Ruchi will get commission of 2% on sales. Sales for the year were ₹ 1,25,000 (iii) Prashant will get a salary of ₹ 250 p.m. (iv) Prashant is entitled to a rent of ₹ 625 per month for the use of his premises by the firm. (v) 10% of the divisible profit is to be transferred to General Reserve.

You are required to prepare the Profit and Loss Appropriation Account.

[Ans : Profit before P&L Apropriation ₹ 50,000; Profit-Ruchi ₹ 27,000; Prashant ₹ 9,000]

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18. A, B and C are partners sharing profits & loss in 3 : 2 : 1 ratio. A withdraws ₹ 2,000 at the beginning of every month, B withdraws ₹ 1,500 in the middle of every month, whereas, C withdraws ₹ 1,000 at the end of every month. Interest on Capitals and drawings is to be charged @10% p.a. C is also to be allowed a salary of ₹ 800 per month. After deducting salary but before allowing all types of interest, the profit for the year ending 31st December, 2016 was ₹ 1,22,150. Prepare Profit and Loss Account and Capital Accounts and Current Accounts of the partners from the additional information given ahead :