

SELVAM MATRIC HR.SEC.SCHOOL**ARAKKONAM.****UNIT TEST – 03****XII-STD****NAME :****DATE :****SUBJECT : ACCOUNTANCY****TOTAL MARKS : 30****TIME : 1.00 HOUR****PART – A****ANSWER THE FOLLOWING QUESTIONS****5 * 2 = 10**

1)

Illustration 1

A, B, C and D are partners in a firm. There is no partnership deed. How will you deal with the following?

- (i) A has contributed maximum capital. He demands interest on capital at 12% per annum.
- (ii) B has withdrawn ₹ 1,000 per month. Other partners ask B to pay interest on drawings @ 10% per annum to the firm. But, B does not agree to it.
- (iii) Loan advanced by C to the firm is ₹ 10,000. He demands interest on loan @ 9% per annum. A and B do not agree with this.
- (iv) D demands salary at the rate of ₹ 5,000 per month as he spends full time for the business. B and C do not agree with this.
- (v) A demands the profit to be shared in the capital ratio. But, B, C and D do not agree.

2)

Illustration 5

Mannan and Ramesh share profits and losses in the ratio of 3:1. The capital on 1st April 2017 was ₹ 80,000 for Mannan and ₹ 60,000 for Ramesh and their current accounts show a credit balance of ₹ 10,000 and ₹ 5,000 respectively. Calculate interest on capital at 5% p.a. for the year ending 31st March 2018 and show the journal entries.

3)

Illustration 6

Antony and Akbar were partners who share profits and losses in the ratio of 3:2. Balance in their capital account on 1st January 2018 was Antony ₹ 60,000 and Akbar ₹ 40,000. On 1st April 2018 Antony introduced additional capital of ₹ 10,000. Akbar introduced additional capital of ₹ 5,000 during the year. Calculate interest on capital at 6% p.a. for the year ending 31st December 2018.

4)

Illustration 7

The capital account of Arivazhagan and Srinivasan on 1st January 2017 showed a balance of ₹ 15,000 and ₹ 10,000 respectively. On 1st July 2017, Arivazhagan introduced an additional capital of ₹ 5,000 and on 1st September 2017 Srinivasan introduced an additional capital of ₹ 10,000.

Calculate interest on capital at 6% p.a. for the year ending 31st December 2017.

5)

Illustration 10

A and B contribute ₹ 4,00,000 and ₹ 2,00,000 respectively as capital. Their respective share of profit is 3:2 and the profit before interest on capital for the year is ₹ 27,000. Compute the amount of interest on capital in each of the following situations:

- (i) if the partnership deed is silent as to the interest on capital
- (ii) if interest on capital @ 3% is allowed as per the partnership deed
- (iii) if the partnership deed allows interest on capital @ 5% p.a.

PART - B**ANSWER THE FOLLOWING QUESTIONS****2 * 3 = 06**

6)

Illustration 4

From the following information, prepare capital accounts of partners Mannan and Sevagan, when their capitals are fluctuating.

Particulars	Mannan ₹	Sevagan ₹
Capital on 1 st January 2018 (Cr. balance)	2,00,000	1,75,000
Drawings during 2018	40,000	35,000
Interest on drawings	1,000	500
Share of profit for 2018	21,000	16,500
Interest on capital	12,000	10,500
Salary	18,000	Nil
Commission	Nil	2,500

7)

5. Mannan and Ramesh share profits and losses in the ratio of 3:2 and their capital on 1st April, 2018 was Mannan ₹ 1,50,000 and Ramesh ₹ 1,00,000 respectively and their current accounts show a credit balance of ₹ 25,000 and ₹ 20,000 respectively. Calculate interest on capital at 6% p.a. for the year ending 31st March, 2019 and show the journal entries.

8)

6. Prakash and Supria were partners who share profits and losses in the ratio of 5:3. Balance in their capital account on 1st April, 2018 was Prakash ₹ 3,00,000 and Supria ₹ 2,00,000. On 1st July, 2018 Prakash introduced additional capital of ₹ 60,000. Supria introduced additional capital of ₹ 30,000 during the year. Calculate interest on capital at 6% p.a. for the year ending 31st March, 2019 and show the journal entries.

PART – C**ANSWER THE FOLLOWING QUESTIONS****2 * 5 = 10**

9)

2. From the following information, prepare capital accounts of partners Rooban and Deri, when their capitals are fixed.

Particulars	Rooban ₹	Deri ₹
Capital on 1 st April, 2018	70,000	50,000
Current account on 1 st April, 2018 (Cr.)	25,000	15,000
Additional capital introduced	18,000	16,000
Drawings during 2018 – 2019	10,000	6,000
Interest on drawings	500	300
Share of profit for 2018 – 2019	35,000	25,800
Interest on capital	3,500	2,500
Salary	Nil	18,000
Commission	12,000	Nil

10)

11)

Illustration 2

From the following information, prepare capital accounts of partners Shanthi and Sumathi, when their capitals are fixed.

Particulars	Shanthi ₹	Sumathi ₹
Capital on 1 st January 2018	1,00,000	80,000
Current account on 1 st January 2018 (Cr.)	5,000	3,000
Additional capital introduced on 1 st June 2018	10,000	20,000
Drawings during 2018	20,000	13,000
Interest on drawings	500	300
Share of profit for 2018	10,000	8,000
Interest on capital	6,300	5,400
Salary	9,000	Nil
Commission	Nil	1,200

Illustration 3

Bragathish and Naresh are partners who maintain their capital accounts under fixed capital method. From the following particulars, prepare capital accounts of partners.

Particulars	Bragathish ₹	Naresh ₹
Capital on 1 st April 2018	4,00,000	6,00,000
Current account on 1 st April 2018	20,000(Cr.)	15,000(Dr.)
Additional capital introduced during the year	50,000	Nil
Drawings made during the year	45,000	60,000
Interest on drawings	2,000	3,000
Share of profit for the year	80,000	1,20,000
Interest on capital	20,000	30,000
Commission	17,000	Nil
Salary	Nil	38,000

PART – D

CHOOSE THE CORRECT ANSWER

4 * 1 = 04

1. In the absence of a partnership deed, profits of the firm will be shared by the partners in
 (a) Equal ratio (b) Capital ratio (c) Both (a) and (b) (d) None of these
2. In the absence of an agreement among the partners, interest on capital is
 (a) Not allowed (b) Allowed at bank rate
 (c) Allowed @ 5% per annum (d) Allowed @ 6% per annum
3. As per the Indian Partnership Act, 1932, the rate of interest allowed on loans advanced by partners is
 (a) 8% per annum (b) 12% per annum (c) 5% per annum (d) 6% per annum
4. Which of the following is shown in Profit and loss appropriation account?
 (a) Office expenses (b) Salary of staff (c) Partners' salary (d) Interest on bank loan

..... SELVAM SCHOOL..... ACCOUNTANCY..... UNIT TEST-3.....

SUBJECT TEACHER SIGN

HALL INCHARGE SIGN

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