

# **Girl's High School and College, Prayagraj**

**2020-2021**

**Class 12-C**

**Accountancy**

**Work Sheet - 2**

**Note:-**Parents please ensure that your ward refers to the extra class/[www.studiestoday.com](http://www.studiestoday.com)/[Byju's.com](http://Byju's.com) for two days to read the topic : Partnership-Fundamentals.

**Introduction:-** Charge against the profits-eg. Rent paid by the firm to any partner, Interest on loan paid to any partner by the firm. These are debited to P/L A/c.

**Appropriation of Profits :** Interest on Capital, Salary or Commission and divisible profits allowed to partner, also creation of Reserve. These are debited to P/L Appropriation A/c. Interest on drawings charged from partner is credited to P/L Appropriation A/c.

- Q.1 Differentiate between charge against the profits and Appropriation of Profits.
- Q.2 Write down the opening and closing Entries for the following:-
- (a) Interest on Capital.
  - (b) Interest on drawings.
  - (c) Salary/Commission paid to partner.
  - (d) Reserve out of profits.
  - (e) Rent paid to a partner.
  - (f) Interest on loan paid to a partner.
- Q.3 Differentiate between P/L A/c and P/L Appropriation A/c.
- Q.4 Differentiate between Fixed and Fluctuating Capital A/c.
- Q.5 Differentiate between capital A/c and Current A/c.