

Worksheet – 4

Salary or commission to Partners

1. Amar, Bhanu and Charu are partners in a firm. Amar and Bhanu are to get salary of ₹1,20,000 p.a. each as they are fully involved in the business. Net profit for the year is ₹4,80,000. Determine the share of profit to be credited to each partner.
2. A, B and C are partners sharing profits and losses in the ratio of 2:2:1 respectively. A is entitled to a commission of 10% on the net profit. Net profit for the year is ₹1,10,000. Determine the amount of commission payable to A.
3. X, Y and Z are partners sharing profits and losses equally. As per partnership Deed Z, is entitled to a commission of 10% on the net profit after charging such commission. The Net profit before charging commission is ₹2,20,200.
4. A, B, C and D are partners in a firm sharing profits as 4:3:2:1 respectively. It earned a net profit of ₹1,80,000 for the year ended 31st march 2021. As per the partnership Deed, they are to charge a commission @20% of the profit after charging such commission which they will share as 2:3:2:3. You are required to show appropriation of profits among the partners.
5. X and Y are partners in a firm. X is entitled to a salary of ₹10,000 per month and commission of 10% of the net profit after partners' salaries but before charging commission. Y is entitled to a salary of ₹25,000 and

commission of 10% of the net profit after charging all commission and partners' salaries. Net profit before providing for partners' salaries and commission for the year ended 31st March 2022, was ₹420000. Show Distribution of profit

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