

**Solution-22**

**JOURNAL**

Date	Particulars	L.F.	Dr Amount (₹)	Cr Amount (₹)
2025 Mar-31	Interest on Capital A/c <span style="float: right;">Dr.</span> To Simran Current A/c To Reema Current A/c (Interest on Capital @5%)		20,000	10,000 10,000
Mar-31	Profit and Loss Appropriation A/c <span style="float: right;">Dr.</span> To Simran Current A/c To Reema Current A/c (Distribution of the profit in the ratio of 3:2)		2,80,000	1,68,000 1,12,000



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**Profit and Loss Appropriation A/c**

<b>Dr.</b>		<b>Amount (₹)</b>		<b>Cr.</b>
<b>Particulars</b>		<b>Amount (₹)</b>	<b>Particulars</b>	<b>Amount (₹)</b>
To Interest on Capital			By Profit and Loss A/c	3,00,000
Simran's Current A/c	10,000		(Net Profit)	
Reema's Current A/c	10,000	20,000		
To Profit distributed to				
Simran's Current A/c	1,68,000			
Reema's Current A/c	1,12,000	2,80,000		
<b>Total</b>		<b>3,00,000</b>	<b>Total</b>	<b>3,00,000</b>

