

Joint Venture Practice Problems:

1. A & B Started A joint Venture to share equally. A Paid Office Expenses Rs.20,000 & Brought in Material of Rs. 1,00,000. B brought in Furniture and paid wages Rs.20,000. Sales by A Rs.2,00,000 & by B Rs.3,00,000. Commission to both 10% of Sales. Account settled in cash. Solve by Memorandum Method.
2. X & Y Started X joint Venture to share 3:2. X Paid Office Expenses Rs.30,000 & Brought in Material of Rs. 2,00,000. B brought in Computer and paid wages Rs.20,000. Sales by X Rs.3,00,000 & by Y Rs.4,00,000. Commission to both 10% of Sales. X took over goods at Rs.40,000 & Y took Computer at 80%. Account settled in cash. Solve by Memorandum Method
3. Ajay & Vijay Contributed Rs.2,00,000 & 3,00,000 respectively in Joint bank. Common Expenses Purchases Rs.2,00,000, Ocrio 20%, Office Exp 20,000. Sales by Ajay Rs.4,00,000 & Vijay Rs.5,00,000. Commission to both @ 20%. Solve by Joint Bank Method.
4. Anil & Sunil Contributed Rs.6,00,000 & 4,00,000 respectively in Joint bank. Common Expenses Purchases Rs.3,00,000, Ocrio 10%, Office Exp 30,000. Computer brought in by Anil Rs.20,000 & machinery by Sunil Rs.30,000. Sales by Ajay Rs.6,00,000 & Vijay Rs.5,00,000. Commission to both @ 20%. Computer taken by Anil @ 80% & Machinery by Sunil @ 90%. Duration of Joint Venture 6 Months. Interest to both on their initial contribution @ 12% pa. Solve by Joint Bank Method.
5. X & Y Started X joint Venture to share 1:4. X Paid Office Expenses Rs.70,000 & Brought in Furniture of Rs. 50,000. Y brought in Computer and paid wages Rs.30,000. Sales by X Rs.6,00,000 & by Y Rs.5,00,000. Commission to both 20% of Sales. X took over goods at Rs.50,000 & Y took Computer at 120%. Account settled in cash. Solve by Individual books method.
6. P & Q accepted a contract to issue 20,000 shares of Reliance Ltd of 10 each at 15 each. Commission 20% to be received half in cash and half by share. Find the number of shares to be received as commission.
7. A & B accepted a contract to issue 50,000 shares of Reliance Ltd of 10 each at 18 each. Commission 20% to be received half in cash and half by share. A paid registration expenses Rs.20,000 & B paid office expenses Rs.30,000. Public subscribed 40,000 shares only. Balance shares purchased by B on behalf of Joint venture. Commission properly received. All the shares sold by A at Rs.50 per share. Solve by Memorandum Method.