Partnership A/C

Revision

Date: 15/12/24
Page No.

Dec-23
5 marks

P&L Appropriation A/c

Particulars	₹	Particulars	₹
To Salary to R		By P&L A/c (Net profit)	350000
To Int on Cap - P - 15000, Q - 9000, R - 6000	30000		
To profit transferd:- P - 127800, Q - 28400 + 76680, R - 26000 + 51120 ⇒ 77120	310000		
	350000		350000

June 23
5 marks

P&L A/C
~Guarantee

Case-1

Particulars	₹	Particulars	₹
To profit transferd:-		By P&L A/C (N.P)	18000000
3 X - 9000000 (-) 1200000 Guar. Z $\boxed{7800000}$			
2 Y - 6000000 800000 Guar. Z $\boxed{5200000}$	18000000		
1/6 Z - 3000000 + 2000000 (Def) = 5000000			
	18000000		18000000

15000000

Advt Expⁿ appear in B/S - Asset side i.e loss, it will be ~~do~~ writeoff in old Partners in old PSR.

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Sept-24-10m

Revaluation A/C

Particulars	₹	Particulars	₹
To P.D.D	1500	By L&B	5000
		By Stock	3500
To profit on Rev:-			
K - 4200			
B - 2800	7000		
	8500		8500

Partner's Cap. A/C

Particulars	Krish	Bala	Sobha	Part. ~~Krish~~	K ~~Bala~~	B Sobha	S
To Advt Exp.	2400	1600	-	By bal b/d	25000	15000	-
				By Gr. Res.	18000	12000	
				By Bank	-	-	25000
				By Bank [goodwill]	7200	4800	-
				By WCR - 2000	1200	800	
To Bal c/d	53200	33800	25000	~~Advt Exp.~~	~~2400~~	~~1600~~	
				By Rev. A/C	4200	2800	
	55600	35400	25000		55600	35400	25000

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Entry

Bank A/c dr - 12000
To K - 7200
To B - 4800

Sac. Ration 3:2

Balancesheet

Liability	₹	Asset	₹
Workmen Com. Claim for Liability	8000	Bank [20K+[25K+[12K]	57000
		L & B	33000
Creditors	10000	Stock	13500
E/f	8000	Debtors - 25000	
		(-) P.D.D - 5500	19500
Capital:-		~~Advt Exp - [3:2]~~	
K - 53200		Plant	15000
B - 33800	112000		
S - 25000			
	138000		138000

June-24-12m → Admission

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★ Goodwill :- 2 × AP/3

⇒ 87000 + 106000 + 122000

Goodwill ⇒ 315000/3 ⇒ 105000

Sacrificing Ratio ⇒ 5:3

★ 210000 × 1/5 ⇒ 42000 – Ranu bring Prem. for Goodwill.

Revaluation A/c

particulars	₹	particulars	₹
To Machinery @10%	14800	By Building A/c	50000
To furniture	5000	~~By Machinery~~	
To Inventory	900	By Investment	800
To P.D.D @ 5%	8200		
To profit transfered:-			
Anu - 14000 Manu - 8400	22400		
	50800		50800

Goodwill Entry

Bank A/c dr - 42000

To Anu - 26250

To Manu - 15750

5:3

Trad Rec. - 164000

@ 5% - 8200

Bank A/c - 30100

Capital - 100000

Prm. goodwill 42000

172100

Date

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Capital A/c

Particulars	Anu	Manu	Ranu	particulars	Anu	Manu	Ranu
To bal c/d	320250	274150	100000	By bal b/d	280000	250000	
				By Bank (cap	–	–	100000
				By Bank – (Goodwill.)	26250	15750	–
				By Rev. – (Profit)	14000	8400	
	320250	274150	100000		320250	274150	100000

B/S

Liability	₹	Asset	₹
Long term loan	280000	Cash & Bank	172100
Tradepayble	119500	Building 430K	~~[illegible]~~
O/S liability	16200	Machinery	128700
Capital :-		furniture	80000
		Investment	16000
Anu - 320250 Manu - 274150 Ranu - 100000.	694400	Inventory	47500
		Trade Rec.- 164000 (–) PDD @ 5% - 8200	155800
	1030100		1030100

Sep-2024 - 10 marks

Retirement

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★ B/S given goodwill distributed old partner old PSR.

★ Goodwill given in Adjustment - from which we give Retired partner share of goodwill.
↳ we will take it from gaining partners in Gaining Ratio.

Entry for goodwill :- (write off) - old partner old PSR:

1) X - Dr - 6000
Y - Dr - 4000
Z - Dr - 2000
To goodwill - 12000

PBD - 4000 given B/S
Increase it by 1000
for attaing 50K of
10% i.e - 5000.

2) Gaining Ratio will be 3:2 - btwn - X & Y.

3) Z' share of goodwill ⇒ $\frac{1}{6} \times 60000$ ⇒ 10000 - given to Z.

4) X - Dr - 6000
Y - Dr - 4000
To Z Capital - 10000.

★ Inv. given to Z
27600.

Revaluation

Particulars	₹	Particulars	₹
To Patent	6000	By Pro. fund -	6000
To Machinery	6000	By Inv. Profit	2600.
To P.B.D -	1000	By loss on Rev -	4.400
		3X ⇒ 2200 2Y ⇒ 1467 1Z ⇒ 733.33	
	13000		12000

WCR - 6000 - as liability - B/S
Remaining - 6000 - distributed in Cap A/C.

★ After given 27600 Inv. to Z, Inv fund in B/S distr. in Remaing Partners. - Old Ratio

Partner's Cap A/c

Particulars	X	Y	Z	Particulars	X	Y	Z
To Investment	-	-	27600	By Bal b/d	78000	42000	31000
To goodwill -	6000	4000	2000				
To Z Cap	6000	4000	-	By WCR	3000	2000	1000
To Rev A/C loss	2200	1467	733	By IFR	3000	2000	1000
To Bank A/C			6333	By X	-	-	6000
To B/P - A/C			3167	By Y	-	-	4000
To Z's loan A/C			3167				
To Bal c/d -	69800	36533					
	84000	46000	43000		84000	46000	43000

B/S

Liability	₹	Asset	₹
Emp. prov. fund	6000	Patent	24000
WCR - Claim/liab.	6000	Machinery	54000
Creditors	31000	Debtors - 50000	
B/P	3167	(-) Prov. - 5000	45000
Z loan	3167	Bank - 8350 - 6333	2017
Capital:-		Paid to Z.	
X - 69800		STOCK	30650
Y - 36533	106333		
	155667		155667

★. Z - Share ⇒ 12667 - out of this - 50% will be given to Z, now !! i.e. 6333.5

12667 — 6333 - 50%.
12667 — 6334 - 50%. — 50% - 3167 - B/f
50% - 3167 - transfer to loan.

Dec-23 — 10 marks
Retirement

★ Gaining Ratio of X & Z :-

New - old

$X - \frac{5}{8} - \frac{5}{10} \Rightarrow \frac{50-40}{80} \Rightarrow \frac{10}{80}$

$Z \Rightarrow \frac{3}{8} - \frac{2}{10} \Rightarrow \frac{30-16}{80} \Rightarrow \frac{14}{80}$

10 : 14

$\boxed{5 : 7}$

★ Goodwill ⇒ $160000 \times \frac{3}{10} \Rightarrow 48000$

5 : 7

20000 : 28000

Entry :-

X Cap. Dr - 20000
Z Cap Dr - 28000
To Y Cap - 48000
(Adj. of G/W)

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Revaluation A/c

Particulars	₹	Particulars	₹
To Machinery	17500	By building	40000
To PDD	19500		
To profit on Revi			
X - 1500	3000		
Y - 900			
Z - 600			
	40000		40000

Capital A/c

Particulars	X	Y	Z	Particulars	X	Y	Z
To Y's Cap.	20000		28000	By bal c/d	425K	255K	140K
				By Gr. Res. (5:3:2)	12500	7500	5000
To ~~Bank~~ Bank A/c		311400					
				By X Cap		20000	
To Bal c/d	530000		318000	By Z Cap		28000	
				By Rev A/c (Profit)	1500	900	600
				By Bank A/c	111000		200400
	~~[illegible]~~ 550K	311400	346000		550K ~~[illegible]~~	311400	346000

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B/S

Liability	₹	Asset	₹
Cap —		Building	240000
x - 530000		Machinery	332500
y - 318000	848000	Debtor - 195000	
		(−) PDD - 19500	175500
creditors	30000	Stock	105000
		Bank	25000
	878000		878000

→ asking full payment.

	x	y	z	
Actual bal.	419000	311400	117600	} → current scene
Req. bal -	530000		318000	
Cash brought	111000		200400	

Total cap of New firm —

419000 - x
+ 117600 - z
+ 311400 - y

$\boxed{848000}$

→ Should be in New Ratio - $\boxed{5:3}$

5 : 3
x z
530000 : 318000

May-22 - 10 marks

Retirement

★ Goodwill ⇒ 275000 + 250000 + 195000 ⇒ $\frac{720000}{3}$ ⇒ 240000
× 3
⇒ 720000

Z retiring ⇒ $\frac{3}{6}$ i.e ⇒ 360000

X : Y – GR ⇒ 1 : 2 –

Adjustment Entry for Goodwill :–

X dr – 120000
Y – dr – 240000
To Z Cap – 360000

Particulars	₹	Particulars	₹
To Machinery	33750	Building A/c	62500
To Stock	27750		
To P.D.D	13000		
		Rev. loss :–	
		X – 2000	12000
		Y – 4000	
		Z – 6000	
	74500		74500

Capital A/C

Particulars	X	Y	Z	Particulars	X	Y	Z
To Rev A/C	2000	4000	6000	By bal b/d	175000	250000	400000
To Z Cap	120000	240000	–	By Reserve (1:2:3)	50000	100000	150000
To Bank A/C {Immediate pay}	–	–	904000	By Bank (Cap)	500000	500000	–
				By X Cap {G/w}	–	–	120000
				By Y Cap {G/w}	–	–	240000
To Bal c/d	603000	606000					
	725000	850000	910000		725000	850000	910000

Bank A/C

Particulars	₹	Particulars	₹
To Bal b/d	62500	By Z Cap. (Paid)	904000
To X Cap	500000		
To Y Cap	500000		
		By Bal c/d	158500
	1062500		1062500

June-24-8 marks

Dissolution

EPf & Creditor are liability, it will shown in Realisation A/c.

नोट है!!

Capital A/c

Particulars	P	Q	R	Particulars	P	Q	R
To Real. A/C (fur)	75000	-	-	By bal b/d	355000	220000	125000
				By gen. res.	75000	50000	25000
To Bank (b/f)	~~367000~~	~~278000~~	154000 ~~128000~~	By Real. Profit	12000	8000	4000
			154000				154000
	442000	278000	~~[illegible]~~		442000	278000	~~[illegible]~~

Realisation A/c

Particulars	₹	Particulars	₹
To L & B	485000	By EPf	60000
To Mach.	188000	By creditors	124000
To fur.	105000		
To stock	55800	By Bank (Inv. sold)	30000
To trade Debtors	156000		
	~~[illegible]~~	By Bank (Debtors)	147000
To Bank (Creditor)	95000	By P's cap (furniture)	75000
To Bank (Real. Exp)	18700	By Bank (All Assets)	755000
To Bank (O/S Repair)	3500		
To Bank A/c (EPf)	60000		
To Profit :-			
3 P - 12000	24000		
2 Q - 8000			
1 R - 4000			
	~~[illegible]~~ 1191000		1191000
	~~1186000~~		~~1186000~~

★ एक creditor ने कहा कि मुझे 25000₹ की value कि furniture दे दो, जिससे मैं 24000₹ के creditor कम कर दूंगा।

There will be no entry pass for liability Asset setoff.

Cash & Bank A/c

Particulars	₹	Particulars	₹
To Bal b/d	44200	By Realization A/C (Creditor paid off)	95000
To Real. A/C (Inv.)	30000	~~By Bank (Debtor)~~	
To Real. A/C (Debtors)	147000	By Real. A/C - (Exp.)	18700
		By Real A/C (O/S Rep)	3500
To Real A/c (asset)	755000	By Real A/C (EPf)	60000
		By P-Cap	367000
		By Q-Cap	278000
		By R-Cap	154000
	976200		976200

★ 156000 out of this 9000 bad debt, so we Jus write - 147000.

★ Remaining Assets sold as :-

→ L & B - 525000

→ Machine - 170000

→ stock - 60000

$\boxed{755000}$

★ If Qtn silent, we will pay full liability, so in above we'll pay full 60000 EPf.

June-23 - 20marks

Death

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★ To Be prepared:-
(1) for distributing profit appeared in trial Balance,
P&L App. A/C.

Goodwill :-

3yrs
- 2022 - 6month - 234000/2 ⇒ 117000
- 2021 — 270000
- 2020 — 283500
- 2019 - 6month - 252000/2 ⇒ 126000

$\boxed{796500}$ ÷ 3

Av. ⇒ 265500.
(−) IOC ⇒ 10% of 585000 ⇒ (58500)
(−) Remo. to part. ⇒ [56250 × 3]
⇒ (168750)

$\boxed{38250}$

$\boxed{G/W ⇒ 38250 × 3 ⇒ 114750}$

C's [Death] of Goodwill:

$\frac{3}{10} \times 114750 ⇒ \boxed{34425}$ - gaining Partners compensate to C in gaing Ratio.

Gaining Ratio ⇒

A	B
$\frac{1}{2} - \frac{4}{10} ⇒ \frac{5-4}{10} ⇒ \frac{1}{10}$	$\frac{1}{2} - \frac{3}{10} ⇒ \frac{5-3}{10} ⇒ \frac{2}{10}$

G/R ⇒ $\boxed{1:2}$
A : B

★ A's Cap - Dr - 11475
B's Cap - Dr - 22950
To C's Cap - 34425

Goodwill Adjusted Entry..

		Revalued	
L&B	- ₹225000	180000	- 45000↑
fur. & fix	- ₹22500	33750	- 11250↓

Net Profit on Rev ⇒ $\boxed{33750}$ → on Date of Death.

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A 225000
B 112500
C 135000

P&L App A/C

C's Eligible to get profit | C's not Eligible to get

Particulars	1.1-30.6	1.7-31.12	Particulars	1.1-30.6	1.7-31.12
To Int. on Cap.			By P&L A/c (NP)	117000	117000
A - @ 6% Each	13500	13500			
B - @ 6% Each	67500	67500			
C - @ 6% Each	8100	~~8100~~ -			
To Int. on C's Exec. loan A/C		$\boxed{9614.7}$ → 160245 × 12% × 6/12			
To Profit transf.					
1.1-30.6					
4 : A — 88659	35460	43567.5 ⇒ $\boxed{79027.5}$			
3 : B	26595	43567.5 ⇒ $\boxed{70162.5}$			
3 : C	26595				
	117000	117000		117000	117000

1.7-31.12
1 : A — 87135
1 : B

117000

Capital A/C

Particulars	A	B	C	Particulars	A	B	C
To C's Cap (G/W)	11475	22950		By Bal b/d	225000	112500	135000
To C's Current A/c			9180	By A's Cap (G/W)	—	—	11475
To C's Executor Loan A/C (B/f.)			160245	By B's Cap (G/W)	—	—	22950
To Bal c/d	213525	89550					
	225000	112500	169425		225000	112500	169425

33750

4 : 3 : 3

Current A/C

Particulars	A	B	C	Particulars	A	B	C
To bal b/d.	36000	54000	54000	By Rev. A/C (profit)	13500	10125	10125
				By IOC	27000	13500	8100
				By P&L App. (profit)	79027.5	70162.5	26595
To bal c/d	83527.5	39787.5		By C's Cap A/C			[illegible] 9180
	119527.5	93787.5	54000		119527.5	93787.5	54000

B/S

Liability	₹	Asset	₹
C's Executor loan A/C	160245	L & B	225000
		Fur. & fix.	22500
Interest O/S on C's Executor loan A/c	9615	Stock	281250
		Debtor	45000
		Bank	90000
Capital :- A - 213525, B - 89550	303075		
Current A/c :- A - 83527.5, B - 39787.5	123315		
Creditor	67500		
	663750		663750