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Old Profit Sharing Ratio	A	B	C
	3	2	1

New Partner Admitted D
 New Partners Share 1/4
 New Partner share of Goodwill 30000

Total Goodwill for firm 120000
 C's Gain 10000

A's Sacrifice to D 22500
 B's Sacrifice to D 7500

A's Sacrifice to C 7500
 B's Sacrifice to C 2500

Find Sacrificing Ratio :
 Old Profit Sharing Ratio

A	B	C	Total
3	2	1	6

New Profit Sharing Ratio	A	B	C	D	Total
	1	1	1	1	4

Sacrificing Ratio	A	B	C	
	1/4	1/12	- 1/12	or

3	1	Gain
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Revaluation A/c

Particulars	Amount	Particulars	Amount	
		By Furniture	9500	
		By Business Premises	20500	
		By Debtors	3000	
To Profit on Revaluation :				
To A's Capital A/c	16500			
To B's Capital A/c	11000			
To C's Capital A/c	5500			-33000
	<u>33000</u>		<u>33000</u>	

Note : Amount receivable from Mohan is added in Debtors.

Alternatively if we consider it just a promise then we may not record the same

In that case the revaluation profits and Debtors will be lesser by Rs 3000

Partners Capital A/c

Particulars	A	B	C	D	Particulars	A	B	C	D
					By Balance B/d	120000	120000	120000	
					By Revaluation A/c-Profit	16500	11000	5500	
					By Bank A/c				120000
To A's Capital A/c			7500		By Premium for Goodwill	22500	7500		

To B's Capital A/c			2500	
				0
To Balance c/d	166500	141000	115500	120000
Total	166500	141000		120000

By C's Capital A/c	7500	2500		
Total	166500	141000		120000

Balance Sheet

Liabilities	Amount	Assets	Amount
Creditors	20000	Furniture	104500
O/s Salary and Wages	7200	Business Premises	225500
		Stock-in-trade	40000
		Debtors	31000 (28000 + 3000)
A's Capital A/c	166500	Cash at Bank	165000
B's Capital A/c	141000	Cash in Hand	4200
C's Capital A/c	115500		
D's Capital A/c	120000		
	<u>570200</u>		<u>570200</u>

0

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	15000		

To D's Capital A/c	120000	By Balance C/d	
TO Premium for Goodwill	30000		165000
Total	165000	Total	165000

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Old Profit Sharing Ratio

Deepika	Rajshree
3	2

New Partner Admitted

Anshu

New Partners Share

1/5 22200 X 1 / 5

New Partner share of Goodwill

4440

Deepika's share in Goodwill

2220

Rajshree's share in Goodwill

2220

Anshu's Capital

32000

32000 X 5/1

Capital based on New partner share

160000

(32000 X 5/1)

Total Capital of New Firm

137800

(Deepika + Rajshree + Anshu)

Goodwill i.e. Difference

22200

Find Sacrificing Ratio :

Old Profit Sharing Ratio

Deepika	Rajshree	Total
3	2	5

New Profit Sharing Ratio

Deepika	Rajshree	Anshu	Total
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5	3	2	10
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Sacrificing Ratio

Deepika	Rajshree	or
1/10	1/10	
1	1	

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Prov for Doubtful Debts	3200	By Plant and Machinery	12000
To Furniture	1000	By Stock	8000
To O/s Salary	8000	By Land and Building	10000
To Profit on Revaluation :			
To Deepika's Capital A/c	10680		
To Rajshree's Capital A/c	7120		
	<u>30000</u>		<u>30000</u>

-17800

Partners Capital A/c (Before Adjustment for G/w)

Particulars	Deepika	Rajshree	Anshu	Particulars	Deepika	Rajshree	Anshu
				By Balance B/d	48000	40000	
				By Revaluation A/c-Profit	10680	7120	
				By Bank A/c			32000

To Balance c/d	58680	47120	32000			
Total	58680	47120	32000	Total	58680	47120 32000

Partners Capital A/c (After Adjustment for G/w)

Particulars	Deepika	Rajshree	Anshu	Particulars	Deepika	Rajshree	Anshu
				By Balance B/d	58680	47120	32000
				By Anshu's Current A/c	2220	2220	
To Balance C/d	60900	49340	32000				
	60900	49340	32000		60900	49340	32000

Anshu Current A/c

Particulars	Amount	Particulars	Amount
To Deepika Cap A/c	2220		
To Rajshree Cap A/c	2220		
		By Balance C/d	4440
Total	<u>4440</u>	Total	<u>4440</u>

Balance Sheet

Liabilities	Amount	Assets	Amount
Sundry Creditors	16000	Cash in Hand	1200
Public Deposits	61000	Cash at Bank	34800
Bank Overdraft	6000	Stock	40000
Outstanding Liabilities	10000	Prepaid Insurance	1000
		Sundry Deb	28800
		Less - Prov	4000
			24800

Deepika's Capital A/c	60900	Plant and Machinery	60000
Rajshree's Capital A/c	49340	Land and Building	60000
Anshu's Capital A/c	32000	Furniture	9000
		Anshu Current A/c	4440
	<u>235240</u>		<u>235240</u>

0

**** In the solution in the book the bank overdraft has been adjusted in bank balance**

This is not necessary as the question itself has given the bank overdraft as separate account

This means that they are separate bank accounts. Some account has positive and some has negative balance

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	2800		
To Z's Capital A/c	32000		
		By Balance C/d	34800
Total	<u>34800</u>	Total	<u>34800</u>

73 Even though this question asks only for Journal entries but here it is solved fully to explain the concept of solving such type of questions

Old Profit Sharing Ratio

Atul	Amit	Total
3	2	5

New Partner Admitted

Abhay

Abhay's Share in profits 1/4
 Abhay's Share in Goodwill 5000 (20000 X 1/4)

Valuation of Goodwill

2019 2500
 2020 2500
 2021 10000
 2022 25000

 Total profits 40000

 Average Profits 10000
 No of years Purchase 2
 Value of Goodwill for firm 20000

Bank A/c Dr.. 70000
 To Abhay's Capital A/c 65000
 To Premium for Goodwill A/c 5000

Premium for Goodwill A/c Dr.. 5000
 To Atul's Current A/c 3000 (5000 X 3/5)
 To Amit's Current A/c 2000 (5000 X 2/5)

Creditors A/c Dr.. 10000
 To Abhay's Capital A/c 10000

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Furniture A/c	3000	By Plant & Machinery A/c	18000

To Stock	4000		
To Prov for Doubtful Debts	2500		
To Profit on Revaluation :			
To Atul's Current A/c	5100		
To Amit's Current A/c	3400		
	<u>18000</u>		<u>18000</u>
			-8500

Partners Current A/c

Particulars	Atul	Amit	Abhay	Particulars	Atul	Amit	Abhay
				By Balance B/d	70000	50000	
				By Revaluation A/c-Profit	5100	3400	
				By Premium for Goodwill A/c	3000	2000	
To Balance c/d	78100	55400					
Total	<u>78100</u>	<u>55400</u>	<u>0</u>	Total	<u>78100</u>	<u>55400</u>	<u>0</u>

Partners Capital A/c

Particulars	Atul	Amit	Abhay	Particulars	Atul	Amit	Abhay
				By Balance B/d	100000	100000	
				By Bank A/c			65000
				By Creditors			10000

To Balance c/d	100000	100000	75000			
Total	100000	100000	75000	Total	100000	100000 75000

Balance Sheet			
Liabilities	Amount	Assets	Amount
Creditors	30000	Plant & Machinery	198000
Bills Payable	10000	Furniture	27000
Capital A/s		Computer	10000
Atul's Capital A/c	100000	Stock	36000
Amit's Capital A/c	100000	Debtors	50000
Abhay's Capital A/c	75000	Less - Prov	2500
Current A/c		Bills Receivable	10000
Atul Current A/c	78100	Cash	10000
Amit Current A/c	55400	Bank	110000
	448500		448500

0
Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	40000		
To Premium for Goodwill	5000		
To Abhay's Capital A/c	65000	By Balance C/d	110000
Total	110000	Total	110000

74 Prov for Doubtful Debts A/c

Dr..

40000

To Revaluation A/c		40000	
(Being Prov for Doubtful debts reversed as no longer required)			
Land and Buildings A/c	Dr..	40000	
To Revaluation A/c			40000
Revaluation A/c	Dr..	20000	
To Plant and Machinery			20000
Workmen Compension Reserve A/c	Dr..	50000	
To Workmen Compensation Claim A/c			20000
To Sunaina Current A/c			18000
To Tamanna Current A/c			12000
Creditors A/c	Dr..	40000	
To Bills Payable A/c			40000
(Being Creditors converted to Bills Payable)			
Bank A/c	Dr..	110000	
To Pranav Capital A/c			100000
To Premium for Goodwill A/c			10000
Premium for Goodwill A/c	Dr..	10000	
To Sunaina Current A/c			6000
To Tamanna Current A/c			4000
Revaluation A/c	Dr..	60000	
To Sunaina Current A/c			36000
To Tamanna Current A/c			24000
(Being revaluation profits distributed in old ratio)			

General Reserve A/c Dr.. 120000
 To Sunaina Current A/c 72000
 To Tamanna Current A/c 48000
 (Being General reserve distributed among old partners)

Sunaina Current A/c Dr.. 12000
 Tamanna Current A/c Dr.. 8000
 To Goodwill A/c 20000
 (Being Old Goodwill written off)

Working Note :

Revaluation A/c			
Particulars	Amount	Particulars	Amount
To Plant and Machinery	20000	By Prov for Doubtful Deb	40000
		By Land and Buildings	40000
To Profit on Revaluation :			
To Sunaina Capital A/c	36000		
To Tamanna Capital A/c	24000		
	80000		80000
			-60000

Jay	Veeru
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3	2
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New Partner Admitted	Sri	
New Partners Share	2/9	
New Partner share of Goodwill	36000	(162000 X 2/9)
Jay's share in Goodwill	25200	
Veeru's share in Goodwill	10800	

Goodwill Valuation:

Total Profits for last 3 years	243000	(90000 + 78000 + 75000)
Average profits for last 3 years	81000	
No of Years Purchase	2	
Goodwill i.e. 2 Times	162000	

Find Sacrificing Ratio :

Old Profit Sharing Ratio

Jay	Veeru
3	2

New Profit Sharing Ratio

Jay	Veeru	Z
4	3	2

Sacrificing Ratio

Jay	Veeru	or
7/45	1/15	
7	3	

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Prov for Doubtful Debts	600	By Accrued Income	4500
To O/s Rent	15000		
To Investments	6000		
		By Loss on Revaluation :	
		By Jay's Capital A/c	10260
		By Veeru's Capital A/c	6840
			17100
	<u>21600</u>		<u>21600</u>

Partners Current A/c

Particulars	Jay	Veeru	Sri	Particulars	Jay	Veeru	Sri
To Revaluation A/c-Loss	10260	6840		By Balance B/d	30000	6000	
To Investments	18000			By Premium for Goodwill	25200	10800	
To Bank A/c-G/w withdrawn	12600	5400		By General Reserve	21600	14400	
To Goodwill A/c-Old G/w W/o	18000	12000					
To Balance c/d	17940	6960					
Total	<u>76800</u>	<u>31200</u>	<u>0</u>	Total	<u>76800</u>	<u>31200</u>	<u>0</u>

Partners Capital A/c

Particulars	Jay	Veeru	Sri	Particulars	Jay	Veeru	Sri
To Balance C/d	180000	90000	60000	By Balance B/d	180000	90000	

			By Bank A/c
180000	90000	60000	

		60000
180000	90000	60000

Balance Sheet

Liabilities	Amount	Assets	Amount
Creditors	45000	Cash at Bank	93000
O/s Rent	15000	Debtors	60000
X's Current A/c	17940	Less - Prov	3000
Y's Current A/c	6960	Patents	44400
Jay's Capital A/c	180000	Fixed Assets	216000
Veeru's Capital A/c	90000	Accrued Income	4500
Sri's Capital A/c	60000		
	<u>414900</u>		<u>414900</u>

0

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	15000	To Jay's Current A/c	12600
To Sri's Capital A/c	60000	To Veeru's Current A/c	5400
To Premium for Goodwill	36000	By Balance C/d	93000
Total	<u>111000</u>	Total	<u>111000</u>

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Old Profit Sharing Ratio

Shiv	Mohan
1	1

New Partner Admitted

Z

New Partners Share

1/4

New Partner share of Goodwill

0

Shiv's share in Goodwill

0

Mohan's share in Goodwill

0

Goodwill Valuation:

0

Total Profits for last 3 years

Average profits for last 3 years

1.5 Times

Less -

Goodwill

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Workmen Compensation	10000	By Creditors	7500
To Prov for Doubtful Debts	2500		

		By Loss on Revaluation :		
		By Shiv's Capital A/c	2500	
		By Mohan's Capital A/c	2500	5000
	<u>12500</u>		<u>12500</u>	

Partners Current A/c

Particulars	Shiv	Mohan	Jea	Particulars	Shiv	Mohan	Jea
To Revaluation A/c-Loss	2500	2500		By Balance B/d	40000	30000	
To Balance c/d	37500	27500					
Total	40000	30000	0	Total	40000	30000	0

Partners Capital A/c

Particulars	Shiv	Mohan	Jea	Particulars	Shiv	Mohan	Jea
To Balance C/d	187500	127500	125000	By Balance B/d	150000	100000	
				By Bank A/c			125000
				By Current A/c	37500	27500	
	<u>187500</u>	<u>127500</u>	<u>125000</u>		<u>187500</u>	<u>127500</u>	<u>125000</u>

**** For converting Fixed Capital A/c to Fluctuating Capital A/c the balances in fluctuating capital A/c will be transferred to Capital A/c This transfer to be made only after the adjustments for current year are made in Current A/c only and not before that.**

Balance Sheet

Liabilities	Amount	Assets	Amount
Creditors	102500	Land and Building	150000
Bills Payable	70000	Plant and Machinery	100000
Workmen Compensation	10000	Furniture and Fittings	25000
Shiv's Loan A/c	50000	Stock	75000
		Debtors	75000
		Less - Prov	7500
Shiv's Capital A/c	187500	Bills Receivable	30000
Mohan's Capital A/c	127500	Bank	225000
Jea's Capital A/c	125000		
	<u>672500</u>		<u>672500</u>

0

** adjustment for B/P not recorded in books will not impact revaluation A/c

Journal entry will be

Creditors A/c Dr..

To Bills Payable A/c

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	50000		
To Z's Capital A/c	125000		

To X's Loan A/c	50000	By Balance C/d	225000
Total	225000	Total	225000

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Old Profit Sharing Ratio

Badal	Bijli	Total
3	2	5

New Partner Admitted

Raina

New Partners Share

1/6

New Partner share of Goodwill

12000

New Profit sharing ratio

Badal	Bijli	Raina	Total
15	10	5	30
3	2	1	6

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Building A/c	15000		
To Stock A/c	3000		
To Prov for Bad Debts	2000		
		By Loss on Revaluation :	
		By Badal's Current A/c	12000
		By Bijli's Current A/c	8000

20000

20000

20000

Partners Current A/c

Particulars	Badal	Bijli	Raina	Particulars	Badal	Bijli	Raina
To Balance B/d		2000		By Balance B/d	12000		
To Revaluation A/c-Loss	12000	8000		By Premium for Goodwill	7200	4800	
				By Investment Fluctuation Reserve	14400	9600	
				By Badal Capital A/c	30000		
				By Bijli Capital A/c		10000	
To Balance c/d	51600	14400					
Total	63600	22400	0	Total	63600	24400	0

Partners Capital A/c

Particulars	Badal	Bijli	Raina	Particulars	Badal	Bijli	Raina
To Badal Current A/c	30000			By Balance B/d	150000	90000	
To Bijli Current A/c		10000		By Bank A/c			40000
To Balance C/d	120000	80000	40000				
	150000	90000	40000		150000	90000	40000

Calculation of New Capital

Raina's Capital 40000

Raina's profit share		1/6
Total Capital of the new firm		240000.00
	Badal	Bijli
Revised Capital of the partners	120000	80000
Existing Capital	150000	90000
Deficit/Surplus	-30000	-10000
	W	W

Not required in the answer. Shown here only for understanding

Balance Sheet

Liabilities		Amount	Assets		Amount
Creditors		26000	Building		135000
Bills Payable		8000	Investments		73000
Current A/c's			Stock		40000
Badal	51600		Debtors	20000	
Bijli	14400	66000	Less - Prov	2000	18000
Badal's Capital A/c		120000	Cash		74000
Bijli's Capital A/c		80000			
Raina's Capital A/c		40000			
		<u>340000</u>			<u>340000</u>

22000 + 40000 + 12000

0

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	22000		
To Raina's Capital A/c	40000		

To Premium for Good	12000	By Balance C/d	74000
Total	74000	Total	74000

Note :

When current A/c are opened only for capital adjustment then the other adjustment entries like revaluation, goodwill will go in capital A/c only

However if the balance sheet given in question already have current A/c then the adjustment entries will go in current A/c only

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Old Profit Sharing Ratio	Gautam	Yashica	Total
	3	1	4

New Partner Admitted Asma
 New Partners Share 3/8
 New Partner share of Goodwill 50000

Find Sacrificing Ratio :

Old Profit Sharing Ratio

Gautam	Yashica	Total
3	1	4

New Profit Sharing Ratio	Gautam	Yashica	Asma	Total
	3	2	3	8

Sacrificing Ratio	Gautam	Yashica	
	3/8	0	or

Sacrifice	
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Revaluation A/c

Particulars	Amount	Particulars	Amount
To Machinery A/c	21000	By Stock A/c	70000
To Furniture A/c	5000		
To Prov for Bad Debts	8000		
To Profit on Revaluation :			
To Gautam's Capital A/c	27000		
To Yashica's Capital A/c	9000		
	<u>70000</u>		<u>70000</u>

-36000

Partners Capital A/c

Particulars	Gautam	Yashica	Asma	Particulars	Gautam	Yashica	Asma
				By Balance B/d	400000	100000	
				By Revaluation A/c-Profit	27000	9000	
				By Bank A/c			210000
				By Premium for Goodwill	50000		
				By Yashica Current A/c		31000	
To Gautam Current A/c	267000						
To Balance c/d	210000	140000	210000				
Total	<u>477000</u>	<u>140000</u>	<u>210000</u>	Total	<u>477000</u>	<u>140000</u>	<u>210000</u>

Partners Current A/c

Particulars	Gautam	Yashica	Asma	Particulars	Gautam	Yashica	Asma
To Yashica Capital A/c		31000		By Gautam Capital A/c	267000		
To Balance C/d	267000		0	By Balance C/d		31000	
	267000	31000	0		267000	31000	0

Calculation of New Capital

Asma's Capital	210000	
Asma's profit share	3/8	
Total Capital of the new firm	560000.00	
	Gautam	Yashica
Revised Capital of the partners	210000	140000
Existing Capital	477000	109000
Deficit/Surplus	-267000	31000
	Withdraw	Bring IN

Balance Sheet

Liabilities	Amount	Assets	Amount
Sundry Creditors	50000	Furniture	55000
Bills Payable	30000	Stock	210000
Current A/c's			
Gautam	267000	Debtors	80000
		Less - Prov	8000
			72000

Capital A/c :			Cash in Hand	350000
Gautam	210000		Machinery	189000
Yashica	140000		Yashica Current A/c	31000
Asma	210000	560000		
		<u>907000</u>		<u>907000</u>

0

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	90000		
To Asma's Capital A/c	210000		
To Premium for Goodwill	50000	By Balance C/d	350000
Total	<u>350000</u>	Total	<u>350000</u>

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Old Profit Sharing Ratio	X	Y	Total
	2	1	3

New Partner Admitted Z
 New Partners Share 1/4
 New Partner share of Goodwill 15000

New Profit sharing ratio	X	Y	Z	Total
	6	3	3	12

2	1	1	4
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X's share in Goodwill 10000 (Sacrificing ratio same as old ratio)
Y's share in Goodwill 5000 (Sacrificing ratio same as old ratio)

Total Goodwill of the firm

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Printer A/c	1000	By X's Capital A/c	2000
To Fixed Assets	13700	By Stock A/c	1000
		By Loss on Revaluation :	
		By X's Capital A/c	7800
		By Y's Capital A/c	3900
			11700
	<u>14700</u>		<u>14700</u>

Partners Capital A/c							
Particulars	X	Y	Z	Particulars	X	Y	Z
To Revaluation A/c-Loss	7800	3900		By Balance B/d	75000	62000	
To Bank A/c - G/W Withdrawn	5000	2500		By Premium for Goodwill	10000	5000	

To Investments	10000		
To Bank A/c		26600	
To Balance c/d	80000	40000	40000
Total	102800	73000	40000

By Bank A/c - Capital Introduced			40000
By General Reserve	12000	6000	
By Bank A/c	5800		
Total	102800	73000	40000

Calculation of New Capital

Z's Capital		40000
Z's profit share		1/4
Total Capital of the new firm		160000
	X	Y
Revised Capital of the partners	80000	40000
Existing Capital	74200	66600
Deficit/Surplus	5800	-26600
	Bring In	Withdraw

Balance Sheet

Liabilities	Amount	Assets	Amount
Sundry Creditors	25000	Cash/Bank	31700
		Sundry Debtors	15000
		Stock	11000
		Printer	4000
		Fixed Assets	123300
X's Capital A/c	80000		
Y's Capital A/c	40000		

Z's Capital A/c	40000		
	<u>185000</u>		<u>185000</u>

0

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	5000	By X's Capital A/c - G/w Withdrawn	5000
To Z's Capital A/c	40000	By Y's Capital A/c - G/w Withdrawn	2500
To Premium for Goodwill	15000	By Y's Capital A/c - Cap Adj	26600
To X's Capital A/c	5800	By Balance C/d	31700
Total	<u>65800</u>	Total	<u>65800</u>

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Old Profit Sharing Ratio

Kalpana	Kanika	Total
3	1	4

New Partner Admitted

Karuna

New Partners Share

1/4

New Partner share of Goodwill

6000

Kalpana 's share in Goodwill

4500

Kanika's share in Goodwill

1500

Total Goodwill of the firm

24000

New Profit sharing ratio

Kalpana	Kanika	Karuna	Total
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9	3	4	16
			0

Revaluation A/c

Particulars	Amount	Particulars	Amount
To Plant and Machinery	10000	By Land and Building	25000
		By Prov for Doubtful Debts	400
		By Creditors	1200
To Profit on Revaluation :			
To Kalpana 's Capital A/c	12450		
To Kanika's Capital A/c	4150		
	<u>26600</u>		<u>26600</u>
			-16600

Partners Capital A/c

Particulars	Kalpana	Kanika	Karuna	Particulars	Kalpana	Kanika	Karuna
				By Balance B/d	50000	80000	
				By Revaluation A/c-Profit	12450	4150	
				By Karuna Current A/c	4500	1500	
				By Bank A/c			60000
				By General Reserve	7500	2500	
To Kanika Current A/c		43150		By Kalpana Current A/c	60550		
To Balance c/d	135000	45000	60000				
Total	135000	88150	60000	Total	135000	88150	60000

Partners Current A/c

Particulars	Kalpana	Kanika	Karuna	Particulars	Kalpana	Kanika	Karuna
To Kalpana Capital A/c			4500	By Kanika Capital A/c			
To Kanika Capital A/c			1500				43150
To Kalpana Capital A/c	60550						
To Balance C/d		43150		By Balance C/d	60550		6000
	60550	43150	6000		60550	43150	6000

Calculation of New Capital

Karuna's Capital		60000
Karuna's profit share		1/4
Total Capital of the new firm		240000
	Kalpana	Kanika
Revised Capital of the partners	135000	45000 (Based on new profit ratio)
Existing Capital	74450	88150
Deficit/Surplus	60550	-43150
	Bring In	Withdraw

Balance Sheet

Liabilities	Amount	Assets	Amount
Creditors	68800	Land and Building	65000
		Plant and Machinery	60000
		Stock	30000
		Debtors	35000

Kanika's Current A/c	43150	Less - Prov	600	34400
		Investments		26000
Kalpana 's Capital A/c	135000	Cash		70000
Kanika's Capital A/c	45000	Kalpana's Current A/c		60550
Karuna's Capital A/c	60000	Karuna's Current A/c		6000
	<u>351950</u>			<u>351950</u>

0

Cash/Bank A/c

Particulars	Amount	Particulars	Amount
To Balance B/d	10000		
To C's Capital A/c	60000		
		By Balance C/d	70000
Total	<u>70000</u>	Total	<u>70000</u>