

11 Old Profit Sharing Ratio

Rakesh	Suresh	Total
4	3	7

New Profit Sharing Ratio

Rakesh	Suresh	Zaheer	Total
7	4	3	14

Sacrificing Ratio

Rakesh	Suresh	or
$\frac{1}{14}$	$\frac{1}{7}$	
1	2	

12 Old Profit Sharing Ratio

Karim	Rehman	Total
3	2	5

New Profit Sharing Ratio

Karim	Rehman	Naval	Total
4	3	2	9

Sacrificing Ratio

Karim	Rehman	or
$\frac{7}{45}$	$\frac{1}{15}$	
7	3	

13 Old Profit Sharing Ratio

A	B	C
4	3	2

D is admitted for $\frac{1}{3}$ share

Since neither the sacrificing ratio nor the new ratio is given so the old partners will sacrifice in the old ratio

Sacrificing Ratio

A	B	C
4	3	2

14 Old Profit Sharing Ratio

Gautam	Yashica	Total
3	2	5

New partner admitted

Asma

Gautam gives

$\frac{1}{3}$

Yashica gives

Add Step

$\frac{1}{3} \times \frac{3}{5}$

$\frac{1}{5}$

$\frac{1}{10}$

Gautam new share

$\frac{2}{5}$

$\frac{3}{5} - \frac{1}{5}$

Yashica new share

$\frac{3}{10}$

$\frac{2}{5} - \frac{1}{10}$

Asma share $\frac{3}{10}$ $\frac{1}{5} + \frac{1}{10}$

New Profit Sharing ratio	Gautam	Yashica	Asma	or or
	$\frac{2}{5}$	$\frac{3}{10}$	$\frac{3}{10}$	
	4	3	3	

Sacrificing ratio	Gautam	Yashica
	$\frac{1}{5}$	$\frac{1}{10}$
	2	1

15 Old Profit Sharing Ratio

A	B	C
2	2	1

New Partner admitted D
 New partner share $\frac{1}{6}$

C retains his original share

Let the total profits be Rs 1 1
 D's share $\frac{1}{6}$
 C's share $\frac{1}{5}$
 Remaining share $\frac{19}{30}$ $1 - \frac{1}{6} - \frac{1}{5}$

Now remaining share will be shared by remaining partners in their mutual ratio

A's new share $\frac{19}{60}$ ($\frac{19}{30} \times \frac{1}{2}$)

B's new share $19/60$ ($19/30 \times 1/2$)

New profit sharing ratio

A	B	C	D
$19/60$	$19/60$	$1/5$	$1/6$
19	19	12	10

or

Sacrificing ratio

A	B
1	1

or

16 Old profit sharing ratio

A	B	C	D
36	24	20	20

or $20/100$ $1/5$

Let the total profits be Rs 1 1

New Partner E
 New Partner Share 20% or $1/5$

Remaining share **$4/5$** This is for the old partners

A's new share	$4/5 \times 3/10$	$6/25$	3:4:2:1
B's new share	$4/5 \times 4/10$	$8/25$	
C's new share	$4/5 \times 2/10$	$4/25$	
D's new share	$4/5 \times 1/10$	$2/25$	

New profit sharing ratio

A	B	C	D	E	or
6/25	8/25	4/25	2/25	1/5	
6	8	4	2	5	

17 Old Profit Sharing Ratio

Amit	Vidya
3	2

New partner admitted Chintan

New partner share Not given in the question

Assume that the total share of new partner be x

Now new partner acquires 1/5 of his share from Amit

It means that new partner acquires 4/5 of his share from Vidya which is equal to 4/25

So, 4/5 of x is equal to 4/25

$$4/5x = 4/25 \quad x = 4/25 \times 5/4$$

Solving this equation x = 1/5 1/5

It means that the new partner share is 1/5

New partner acquires from Amit 1/5 of his (new partner) share

$$1/5 \times 1/5 = 1/25$$

New partner acquires from Vidya 4/25

Amit new share $3/5 - 1/25$ $14/25$
 Vidya new share $2/5 - 4/25$ $6/25$

New Profit Sharing ratio	Amit	Vidya	Chintan
	$14/25$	$6/25$	$1/5$
	14	6	5

Sacrificing ratio	Amit	Chintan
	$1/25$	$4/25$
	1	4

18 Old Profit Sharing Ratio

Gold	Silver
2	5

Copper Admitted for $1/4$ share $1/4$

Remaining Share $1 - 1/4$ $3/4$

Gold's new share	$3/4 \times 2/7$	$3/14$
Silver's new share	$3/4 \times 5/7$	$15/28$

New Profit Sharing ratio	Gold	Silver	Copper
	$3/14$	$15/28$	$1/4$

6	15	7
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Sacrificing ratio will be same as old profit sharing ratio

Gold	Silver	Total
2	5	7

Total goodwill brought by Copper 14000

Gold will get 4000 (14000 X 2/7)

Silver will get 10000 (14000 X 5/7)

19 Old Profit Sharing Ratio

Vimal	Nirmal	Total
3	2	5

Kailash is admitted as a new partner

Vimal Gives	1/5 of his share	$3/5 \times 1/5$	3/25
Nirmal Gives	2/5 of his share	$2/5 \times 2/5$	4/25
Vimal's new Share	$3/5 - 3/25$		12/25
Nirmal's new Share	$2/5 - 4/25$		6/25
Kailash Share	$3/25 + 4/25$		7/25

New Profit Sharing ratio	Vimal	Nirmal	Kailash	Total
	12/25	6/25	7/25	
	12	6	7	25

Sacrificing Ratio	Vimal	Nirmal	Total
	3/25	4/25	
	3	4	7

Total Goodwill of the firm	75000
Kailash Share of Goodwill	21000
Vimal Share	9000
Nirmal Share	12000

Journal Entries

Cash A/c	Dr..	21000	
	To Premium for Goodwill A/c		21000

(Being New partner brings share of goodwill in cash)

Premium for Goodwill A/c	Dr..	21000	
	To Vimal Capital A/c		9000
	To Nirmal Capital A/c		12000

(Being Goodwill distributed among sacrificing partners in sacrificng ratio)

20 (a)	Cash A/c	Dr..	2000	
		To Premium for Goodwill A/c		2000

Premium for Goodwill A/c	Dr..	2000	
	To B Capital A/c		1200
	To C Capital A/c		800

Note :

Sacrificing ratio of old partners will remain same as old profit sharing ratio

20 (b) Sacrificing Ratio

B	C	Total
1/6	1/12	
2	1	3

Cash A/c	Dr..	2100	
	To Premium for Goodwill A/c		2100

Premium for Goodwill A/c	Dr..	2100	
	To B Capital A/c		1400
	To C Capital A/c		700