



ANSWERS

1. (b)
2. (d)
3. (b)

Working Note:

Net Effect of General Reserve & Dr. Balance of Profit & Loss A/c = ₹ 80,000 – ₹ 20,000 = ₹ 60,000

Sacrifice Share = Old Share – New Share

$$P = \frac{5}{10} - \frac{1}{3} = \frac{5}{30} \text{ (i.e., sacrifice)}$$

$$Q = \frac{4}{10} - \frac{1}{3} = \frac{2}{30} \text{ (i.e., sacrifice)}$$

$$R = \frac{1}{10} - \frac{1}{3} = \frac{7}{30} \text{ (i.e., gain)}$$

Entry: R's Capital A/c (60,000 × 7/30) ...Dr. ₹ 14,000
 To P's Capital A/c (60,000 × 5/30) ₹ 10,000
 To Q's Capital A/c (60,000 × 2/30) ₹ 4,000

4. (a)
5. (d)
6. (a)

Working Note:

Calculation of Gain/Sacrifice of Partners:

	Janak	Chaman	Anmol
New Profit Share	2/5	2/5	1/5
Old Profit Share	3/6	2/6	1/6
Difference	<u>-3/30</u>	<u>2/30</u>	<u>1/30</u>
	Sacrifice	Gain	Gain

Compensation payable by Chaman to Janak = ₹ 60,000 × 2/30 = ₹ 4,000.

Compensation payable by Anmol to Janak = ₹ 60,000 × 1/30 = ₹ 2,000.

7. JOURNAL

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2023 April 1	X's Capital A/c ...Dr. Y's Capital A/c ...Dr. Z's Capital A/c ...Dr. To Goodwill A/c (Existing goodwill written off in old ratio)		15,000 9,000 6,000	30,000
	Goodwill A/c ...Dr. To X's Capital A/c To Y's Capital A/c To Z's Capital A/c (Goodwill raised and credited to Partners' Capital Accounts in old profit-sharing ratio)		1,80,000	90,000 54,000 36,000
	X's Capital A/c ...Dr. Y's Capital A/c ...Dr. Z's Capital A/c ...Dr. To Goodwill A/c (Goodwill written off by debiting to Partners' Capital Accounts in new profit-sharing ratio)		60,000 60,000 60,000	1,80,000

8. (i) *Calculation of Gain/Sacrifice Share:*

	Sonu	Sumit	Sahil
New Profit Share	2/10	5/10	3/10
Old Profit Share	5/10	3/10	2/10
Difference	<u>- 3/10</u>	<u>2/10</u>	<u>1/10</u>
	Sacrificing Partner	Gaining Partner	Gaining Partner

(ii) *Net Effect of Adjustment to be made*

	₹
Increase in Value of Land	5,00,000
Decrease in Value of Stock	<u>(3,00,000)</u>
Net Effect of Adjustment to be made	<u>2,00,000</u>

ADJUSTING JOURNAL ENTRY

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2023 April 1	Sumit's Capital A/c (₹ 2,00,000 × 2/10) ...Dr. Sahil's Capital A/c (₹ 2,00,000 × 1/10) ...Dr. To Sonu's Capital A/c (Adjustment made on account of change in profit-sharing ratio by debiting gaining partners and crediting sacrificing partner)		40,000 20,000	60,000