

Session 2018-19 Compartment

Q-16*



Revaluation Account

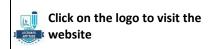
Debit

| Particulars | Amount (Rs.) | Particulars | Amount (Rs.) |
|---|--------------|-------------------------|--------------|
| To Machinery A/c | 1,20,000 | By Land & Buildings A/c | 2,40,000 |
| To Provision for doubtful debts | 20,000 | | |
| To Profit transferred to: To Lisa's Capital A/c To Monika's Capital A/c To Nisha's Capital A/c 20,000 | 1,00,000 | | |
| Total | 2,40,000 | Total | 2,40,000 |

Partners' Capital Accounts

Debit Credit

| Particulars | Lisa | Monika | Nisha | Particulars | Lisa | Monika | Nisha |
|---------------------|-----------|-----------|----------|----------------------------|-----------|-----------|----------|
| To Stock A/c | | 5,00,000 | APTI | By Balance b/d | 14,00,000 | 14,00,000 | 3,60,000 |
| To Monika's Capital | 80,000 | × - | 40,000 | By Lisa's Capital A/c | - | 80,000 | - |
| A/c To Monika Loan | - | 10,60,000 | F * ; | By Monika's Capital A/c | - | 40,000 | - |
| To Balance c/d | 18,00,000 | - | 9,00,000 | By Revaluation A/c | 40,000 | 40,000 | 20,000 |
| | | | | By Current A/c | 4,40,000 | - | 5,60,000 |
| | 18,80,000 | 15,60,000 | 9,40,000 | | 18,80,000 | 15,60,000 | 9,40,000 |



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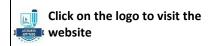
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Balance Sheet

Debit

| Liabilities | | Amount (Rs.) | Assets | | Amount (Rs.) |
|--------------------------|-----------|-----------------|--|----------------------|-----------------|
| <u>Capitals:</u> Lisa | 18,00,000 | | Land & Building (10,00,000 + 2,40,000) | | 12,40,000 |
| Nisha | 9,00,000 | 27,00,000 | Machinery | | 10,80,000 |
| Trade Creditors | | 1,60,000 | (12,00,000-1,20,000) | | |
| Bills Payable | | 2,44,000 | Stock (10,00,000-5,00,000) | | 5,00,000 |
| Employees' Provident | | 76,000 | | 4.00.000 | |
| Fund | | 10.60.000 | Sundry Debtors Less: Provision | 4,00,000 (20,000) | 3,80,000 |
| Monika's Loan | | 10,60,000 | Bank | 7 | 40,000 |
| | A | APT | Lisa Current A/c | | 4,40,400 |
| | 4 | | Nisha Current A/c | | 5,60,000 |
| | Total | 42,40,000 | | Total | 42,40,000 |



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Working Notes

Profit Sharing Ratio (Before Monika's retirement): Lisa: Monika: Nisha = 2:2:1

Profit Sharing Ratio (Post Monika's retirement): Lisa: Nisha = 2:1

Goodwill of the firm: Rs. 3,00,000

Monika's share of Goodwill = Rs. $3,00,000 \times \frac{2}{5}$ = Rs. 1,20,000 Cr

Lisa's share of Goodwill = Rs. 1,20,000 x $\frac{2}{3}$ = Rs. 80,000 Dr

Nisha's share of Goodwill = Rs. 1,20,000 x $\frac{1}{3}$ = Rs. 40,000 Dr