

Solution-65

JOURNAL

Date	Particulars	L.F.	Dr Amount (₹)	Cr Amount (₹)
	A's Current A/c Dr To B's Current A/c To C's Current A/c (Being adjustment entry towards correcting appropriations & corresponding impact on divisible profits)		16,080	14,253 1,827

Working Notes

Particulars	A's Current		B's Current		C's Current		Firm	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
1. Interest on Current @5%		3,000		2,000		1,000	6,000	
2. Salary				18,000			18,000	
3. Commission						3,700	3,700	
4. Reversal of profits distributed	40,000		26,667		13,333			80,000
Sub-total	40,000	3,000	26,667	20,000	13,333	4,700	27,700	80,000
5. For sharing above profit (2:2:1)		20,920		20,920		10,460	52,300	
Total	40,000	23,920	26,667	40,920	13,333	15,160	80,000	80,000
Net Effect	16,080 Dr		14,253 Cr		1,827 Cr			