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JOURNAL

Date	Particulars	L.F.	Dr Amount (₹)	Cr Amount (₹)
	Karan's Capital A/c Dr To Rahim's Capital A/c (Being adjustment entry for distribution of profits in the ratio of appropriations)		2,600	2,600

Working Notes

Particulars	Pranav's Capital		Karan's Capital		Rahim's Capital		Firm	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
1. Reversal of Profit distribution	39,000		26,000		13,000			78,000
2. Profit Distribution in the ratio of appropriations		39,000		23,400		15,600	78,000	
	39,000	39,000	26,000	23,400	13,000	15,600	78,000	78,000
Net Effect	-		2,600 Dr		2,600 Cr			