12

கணக்குப்பதிவியல்

பள்ளிக் கல்வித்துறை
தமிழ்நாடு அரசு

S.MAHALAKSHMI
GGHSS, MELUR
MADURAI DISTRICT

TOPICS :

PARTNERSHIP ACCOUNTS

*ADMISSION

*RETIREMENT

* DEATH

PARTNERSHIP ACCOUNTS - ADMISSION

The following adjustments are necessary at the time of admission of a partner:

- **Distribution of accumulated profits, reserves and losses**
- **Revaluation of assets and liabilities**
- **Determination of new profit-sharing ratio & sacrificing ratio**
- **Adjustment for goodwill**
- **Adjustment of capital on the basis of new profit sharing ratio**

CAPITAL A/C

Dr | Cr

PARTICULARS	A Rs.	B Rs.	C Rs.	PARTICULARS	A Rs.	B Rs.	C Rs .
To Revaluation a/c (Loss)	***	***		By bal b/d	***	***	
To Profit & Loss a/c (Loss)	***	***		By bank/ Cash a/c			***
To Goodwill(Written Off)	***	***		By Revaluation a/c (profit)	***	***	
				By General Reserve a/c	***	***	
To bal c/d	***	***		By Employees Provident Fund a/c	***	***	
				By Profit & Loss a/c (profit)	***	***	
	***	***	***		***	***	***

PARTNERSHIP ACCOUNTS - ADMISSION

GOODWILL

- (A) New partner Goodwill Amount is Given
  (B)Firm Goodwill Amount is given
  - Bring cash towards goodwill
    - Existing partners withdraw full amount
    - Existing partner withdraw half of the amount
  - Doesnot bring goodwill in cash
  - Bring part of cash towards goodwill
- (A) OLD RATIO ONLY
  (B)NEW & OLD RATIO

WRITEOFF GOODWILL

- Existing goodwill
  - Write off Entire Amount of Goodwill
  - Write off Part of the Goodwill

Accounting treatment for goodwill on admission of a partner is discussed below:

1. When new partner brings cash towards goodwill
2. When the new partner does not bring goodwill in cash or in kind
3. When the new partner brings only a part of the goodwill in cash or in kind
4. Existing goodwill

<u>P.no: 157 , S.no:18</u>

Amudha & Bhuvana share profits & losses 5:3.

Chithra joins- 3/8 share, she brings in cash for her share of goodwill of 8,000.

Pass necessary journal entry for adjusting goodwill,on the assumption that the <u>fluctuating capital method</u> is followed and the partners withdraw the entire amount of their share of goodwill.

***Note*:**

Since the sacrificing ratio is not given,it is assumed that the old profit sharing ratio is the sacrificing ratio and the new partners share of goodwill is distributed to the old partners accordingly.

Dr CAPITAL A/C Cr

PARTICULARS	Amu. Rs.	Bhu. Rs.	Chi. Rs.	PARTICULARS	Amu. Rs.	Bhu. Rs.	Chi. Rs.
To Bank a/c	5,000	3,000	----	By Bank a/c	5,000	3,000	-----

8,000 / 8 *5 *3 = 5000 , 3000

JOURNAL ENTRIES

DATE	PARTICULARS	L.F	DEBIT	CREDIT
	Bank A/c Dr		8,000	
	To Amudha's Capital a/c			5,000
	To Bhuvana"s Capital a/c			3,000
	(Cash brought for goodwill credited to Amudha and Bhuvana in sacrificing ratio)			
	Amudha's Capital a/c Dr		5,000	
	Bhuvana"s Capital a/c Dr		3,000	
	To Bank A/c			8,000
	(Amount withdrawn by the partners)			

P.no: 168 - ILL –27 Adj-4

Veena and Pearl are partners in a firm sharing profits and losses in the ratio of 2:1

Deri is admitted on 1.4.2018

The new profit sharing ratio - 5:3:2

The goodwill of the firm is valued at 30,000 and Deri brought cash for his share of goodwill.

The existing partners withdraw the entire amount brought by Deri towards goodwill.

Goodwill = 30,000 2 / 10 = 6,000

	Veena	:	Pearl	:	Deri
Old Ratio =	$\frac{2}{3}$	:	$\frac{1}{3}$		
New Ratio =	$\frac{5}{10}$	:	$\frac{3}{10}$	:	$\frac{2}{10}$

Sacrificing Ratio $= \frac{2}{3} - \frac{5}{10} : \frac{1}{3} - \frac{3}{10}$

$= \frac{20 - 15}{30} : \frac{10 - 9}{30}$

$= 5 : 1$

Dr

CAPITAL A/C

Cr

Particulars	Veena Rs.	Pearl Rs.	Deri Rs.	Particulars	Veena Rs.	Pearl Rs.	Deri Rs.
To Bank a/c	5,000	1,000	----	By Bank a/c	5,000	1,000	-----

6,000 / 6 * 5 * 1 = 5,000 : 1,000

Dr

BANK A/C

Cr

Particulars	Rs.	Particulars	Rs.
To bal b/d	30,000	By Veena Capital a/c	5,000
To Deri Capital a/c	30,000	By Pearl Capital a/c	1,000
To Veena Capital a/c	5,000		
To Pearl Capital a/c	1,000	By bal c/d	60,000
	66,000		66,000

P.no: 158 , S.no : ILL.19

Arun, Babu and Charles – 1: 1 : 1

They admit Durai for 1/4 share

Firm's Goodwill -- 36,000
Durai brought cash for his share of goodwill.

The existing partners withdraw half of the amount of their share of goodwill

Solution

share of goodwill = 36,000 × 1/4 = 9,000

sacrificing ratio is 1:1:1.(3,000 : 3,000 : 3,000)

Dr Cr

CAPITAL A/C

Particul.	Arun Rs.	Babu Rs.	Char. Rs.	Particul.	Arun Rs.	Bab. Rs.	Char. Rs.
To Bank a/c	1,500	1,500	1,500	By Bank a/c	3,000	3,000	3,000

JOURNAL ENTRY

Date	Particulars	Debit Rs.	Credit Rs.
	Bank a/c Dr	9,000	
	To Arun Capital a/c		3,000
	To Babu Capital a/c		3,000
	To Charles Capital a/c		3,000

JOURNAL ENTRY

Date	Particulars		Debit Rs.	Credit Rs.
	Arun Capital	Dr	1,500	
	Babu Capital a/c	Dr	1,500	
	Charles Capital a/c	Dr	1,500	
	To Bank a/c			4,500

Same Model : P.no : 177, ILL : 19

P.no: 166 , S.no : ILL.26

Amir, Raja – 3 : 2

Rohit is admitted as a new partner who introduces a capital of Rs. 30,000 for his 1/5 share

He brings Rs.10,000 for his share of goodwill.

SOLUTION:

10,000 / 5 X 3 X 2 = 6,000 : 4,000

Dr **CAPITAL A/C** Cr

Particul.	Amir Rs.	Raja Rs.	Rohit Rs.	Particul.	Amir Rs.	Raja Rs.	Rohit Rs.
				By Bank a/c	6,000	4,000	------

Dr **BANK A/C** Cr

Particulars	Rs.	Particulars	Rs.
To bal b/d	20,000	By bal c/d	60,000
To Rohit Capital a/c	30,000		
To Amir Capital a/c	6,000		
To Raja Capital a/c	4,000		
	60,000		60,000

P.no: 164 - ILL.25

Rekha , Mary – 3 : 1

Admit Kavitha -1/4 Share of profit, which she gets entirely from Rekha.

Kavitha has to bring 20,000 as capital.

Her share of goodwill is valued at 4,000.

She could not bring cash towards goodwill.

SOLUTION:

Dr **CAPITAL A/C** Cr

Particulars	Rek. Rs.	Ma. Rs.	Kav Rs.	Particulars	Rek. Rs.	Ma . Rs	Ka. Rs.
To Rekha Capital a/c	---	---	4,000	By Kavitha Capital a/c	4,000	---	---

SAME MODEL P.No -160 ILL : 21

P.No -160 S.no -22

Aravind , Balaji - 3:2 ratio.
Anirudh ,New profit sharing ratio – 1:1:1.
Anirudh’s share of goodwill is valued at Rs. 20,000 of which he pays Rs. 12,000 in cash.

Sacrificing Ratio : Old Ratio – New Ratio

	Aravind	:	Balaji	:	Anirudh

Old Ratio $= \frac{3}{5} : \frac{2}{5}$

New Ratio $= \frac{1}{3} : \frac{1}{3} : \frac{1}{3}$

Sacrificing Ratio $= \frac{3}{5} - \frac{1}{3} : \frac{2}{5} - \frac{1}{3}$

$$= \frac{9-5}{15} : \frac{6-5}{15}$$

$$= 4 : 1$$

Sacrificing Ratio - 4 : 1
Cash - 12,000 , balance - 8,000

ARAVIND : BALAJI
12,000 / 5 = 2400
2400 X 4 = 9600 : 2400 X 1 = 2400

8,000 / 5 = 1600
1600 X 4 = 6400 : 1600 X1 = 1600

Journal Entry

Date	particulars		Debit Rs.	Credit Rs.
	Cash a/c	Dr	12,000	
	Anirudh Capital a/c	Dr	8,000	
	To Aravind Capital a/c			16,000
	To Balaji Capital a/c			4,000

Dr CAPITAL A/C Cr

Part.	Arav. Rs.	Bala. Rs.	Ani. Rs.	Particulars	Arav. Rs.	Bala. Rs.	Ani. Rs.
				By Cash a/c	9,600	2,400	---
				By Anirudh a/c	6,400	1,600	---
					16,000	4,000	---

WRITEOFF GOODWILL

- Existing goodwill
  - Write off Entire Amount of Goodwill
  - Write off Part of the Goodwill

P.no: 161- ILL.23

Sathish and Sudhan - 4:3.

They admitted Sasi as a partner.

On the date of Sasi's admission, goodwill appeared in the books of the firm at ` 35,000.

By assuming fluctuating capital account, pass the necessary journal entry

if the partners decide to

(1) write off the entire amount of existing goodwill

(2) write off ` 21,000 of the existing goodwill

S0LUTION:.

(1) 35,000 / 7 * 4 * 3 = 20,000 : 15000

(2) 21,000 / 7 * 4 * 3 = 12,000 : 9,000

Dr

CAPITAL A/C

Cr

PARTICULARS	Sat. Rs	Sud. Rs	Sas. Rs	PARTI.	S. Rs	S. Rs	S. Rs
(1)To Goodwill	20,000	15,000					
(2)To Goodwill	12,000	9,000					

JOURNAL ENTRIES

Date	particulars		Debit Rs.	Credit Rs.
	Sathish Capital a/c	Dr	20,000	
	Sudhan Capital a/c	Dr	15,000	
	To Goodwill a/c			35,000

JOURNAL ENTRIES

Date	particulars		Debit Rs.	Credit Rs.
	Sathish Capital a/c	Dr	12,000	
	Sudhan Capital a/c	Dr	9,000	
	To Goodwill a/c			21,000

P.no: 159 - ILL.20

Vasu and Devi – 3 : 2.

They admitted **Nila** as a partner.

Her share of goodwill is valued at 3,000 and bring cash towards goodwill

New profit sharing ratio : 3 : 3 : 2

By assuming **fixed capital account**, pass the necessary journal entry.

CURRENT A/C

Dr | Cr

Partic.	Vasu Rs.	Devi Rs.	Nila Rs.	Particulars	Vasu Rs.	Devi Rs.	Nila Rs.
				By Bank a/c			

SOLUTION:

Sacrificing Ratio = old share – New share

	Vasu	:	Devi	:	Nila
Old Ratio =	$\frac{3}{5}$	:	$\frac{2}{5}$		
New Ratio =	$\frac{3}{8}$	:	$\frac{3}{8}$	:	$\frac{2}{8}$
Sacrificing Ratio =	$\frac{3}{5} - \frac{3}{8}$	:	$\frac{2}{5} - \frac{3}{8}$		
=	$\frac{24 - 15}{40}$	:	$\frac{16 - 15}{40}$		
=	9	:	1		

JOURNAL ENTRY

Date	particulars	L. F	Debit	Credit
	Bank a/c Dr		3,000	
	To vasu Current a/c			2,700
	To Devi Current a/c			300

3,000 / 10 * 9 * 1 = 2700 : 300

P.NO: 180 - EXER, 27

27A

Dr

REVALUATION A/C

Cr

Particulars	Rs.	Particulars	Rs.
To stock a/c	20,000	By Motor car a/c	40,000
To Debtors a/c	10,000	By Unrecorded Investment a/c	5,000
To Profit on Revaluation: Anbu 8,750 Sankar 6,250	15,000		
	45,000		45,000

Dr

CAPITAL A/C

Cr

PART.	A	S	R	PARTIC.	A Rs.	S Rs.	R Rs.
				By bal b/d	4,00,000	3,00,000	
				By Bank a/c			1,50,000
				By Revaluation a/c (profit)	8,750	6,250	
				By Profit & Loss a/c(profiy)	70,000	50,000	
To Bal c/d				By Employees Provident Fund a/c	29,170	20,830	
				By Bank a/c(Goodwill)	8,750	6,250	
					5,16,670	3,83,330	1,50,000

BANK A/C

Dr | Cr

Particulars	Rs.	Particulars	Rs.
To bal b/d	40,000	By bal c/d	2,05,000
To Rajesh Capital a/c	1,50,000		
To Anbu Capital a/c	8,750		
To Sankar Capital a/c	6,250		
	2,05,000		2,05,000

$$75{,}000 \times \frac{1}{5} = 15{,}000$$

15,000 / 12 * 7 * 5 = 8,750 : 6,250

BALANCE SHEET

Liabilities	Rs.	Assets.	Rs.
Capital a/c:		Computer	40,000
Anbu 5,16,670		Motor car	2,00,000
Sankar 3,83,330		Stock	3,80,000
Rajesh 1,50,000	10,50,000	Debtors	3,50,000
Creditors	1,20,000	Bank	2,05,000
Employees Provident Fund	10,000	Unrecorded Investment	5,000
	11,80,000		11,80,000

PARTNERSHIP ACCOUNTS

RETIREMENT & DEATH

The Following Accounting Adjusement are discussed at the time of Retirement / Death of a partner:

* Distribution of accumulated profits, reserves and losses
* Revaluation of assets and liabilities
* Adjustment for goodwill
* Adjustment for current year’s profit or loss upto the date of retirement / Death of a Partner
* Settlement of the amount due to the retiring partner

Accounting Treatment on retirement & death

- Goodwill treatment
- Current year profit or loss
- settlement

PARTNERSHIP ACCOUNTS

TREATMENT OF GOODWILL (RETIREMENT & DEATH)

Existing goodwill

- Write off Entire Amount of Goodwill
- Write off Part of the Goodwill

*** <u>Adjustment for current year's profit or loss upto the date of retirement or death of a partner</u>**

**** Profit or loss share***

**** Months between the balance sheet date to retirement or death date***

*** <u>Settlement</u> of the amount due to the <u>retiring</u> partner**

*** <u>Settlement</u> of the amount due to the <u>deceased</u> partner if the partner is dead.**

Treatment of Goodwill(Retirement)

P.NO:204 S.NO:ILL 18 Adj:1

Firm's Goodwill Rs.24000

Ragu , Ravi , Ramesh - Old Ratio 2:3:1

CALCULATION:

24000 * 1/6 = 4000

Gaining Ratio = 2 : 3

(4000 / 5 *2 * 3) = 1600 , 2400

Dr CAPITAL A/C Cr

PARTICULARS	Ragu Rs.	Ravi Rs.	Rame Rs.	PARTICULARS	Ragu Rs.	Ravi Rs.	Rame. Rs.
To Ramesh Capital a/c	1600	2400		By Ragu"s Capital a/c			1600
				By Ravi's Capital a/c			2400

P.NO	S.NO
196	ILL – 12 (Retirement)
212	ILL –- 22 (Partner death)

Treatment of Goodwill (Retirement)

P.NO:206 S.NO:ILL-- 19 Adj:3

Firm's Goodwill Rs.30,000

Muthu , Murali , Manoj - Old Ratio 3:1:2

- New Ratio 3 : 2

CALCULATION:

30,000 * 2/6 = 10,000

Gaining Ratio = New Ratio --- Old Ratio

GAINING RATIO = NEW RATIO – OLD RATIO

MUTHU : MURALI : MANOJ

New Ratio $= \frac{3}{5} : \frac{2}{5}$

Old Ratio $= \frac{3}{6} : \frac{1}{6} : \frac{2}{6}$

Gaining Ratio $= \frac{3}{5} - \frac{3}{6} : \frac{2}{5} - \frac{1}{6}$

$= \frac{18 - 15}{30} : \frac{12 - 5}{30}$

$= 3 : 7$

Dr CAPITAL A/C Cr

PARTICUL.	Mut. Rs.	Mur. Rs.	Man Rs.	PARTICULARS	Mut Rs.	Mur. Rs.	Man. Rs.
To Manoj"s Capital a/c	3,000	7,000		By Muthu'S Capital a/c			3,000
				By Murali"s Capital a/c			7,000

- GOODWILL WRITEOFF

(A)Writeoff the entire amount of Goodwill
(B)Writeoff half of the amount of Goodwill

P.NO:197 S.NO:ILL 13 Adj: A, B

Firms Goodwill Rs.24000
Naresh , Mani , Muthu - Old Ratio 2:2:1

CALCULATION:
(A)Write off the entire amount of Goodwill

(40000 / 5 *2 * 2 * 1) =16000 ,16000 , 8000

Dr

CAPITAL A/C

Cr

PARTICULARS	Nare. Rs.	Mani. Rs.	Muth Rs.	PARTICULARS	Nar. Rs.	Ma. Rs.	Mut. Rs.
To Goodwill a/c	16,000	16,000	8000				

CALCULATION:

_(B)Write off half of the amount of Goodwill

(20000 / 5 *2 * 2 * 1) = 8000 , 8000 , 4000

Dr CAPITAL A/C Cr

PARTICULARS	Nare. Rs.	Mani. Rs.	Muth. Rs.	PARTICULARS	Nare Rs.	Mani Rs.	Muthu Rs.
To Goodwill a/c	8,000	8,000	4,000				

Adjustment for current year's profit or loss upto the date of retirement or death

When a partner retires in between in an accounting year, his share of the current year's profit or loss upto the date of retirement or death has to be distributed to him.

It may be estimated based on

- *Previous years profit
- *Average of the past year profit
- *Current year sales

Profit and loss suspense account is a temporary account opened , to transfer the share of retiring or deceased partner's share in current year's profit or loss upto the date of retirement or death.

Profit and loss suspense account is closed by transferring to the profit and loss account at the end the accounting period. (P.NO : 198)

Treatment for adjusting current year profit or loss(Retirement)

P.NO:198 S.NO:ILL-- 14 ADJ : A , B

Previous Year Profit Rs.30,000

Justina , Navi , Rithika - Old Ratio 1:1:1

Retirement Date - 31.03.2019

CALCULATION:

(a) Profit distributed based on previous year profit:

(31.12.2018 – 31.03.2019) = 3 Months

30,000 * 1/3 * 3/12 = 2,500

Dr **CAPITAL A/C** Cr

PARTICULARS	Justin Rs.	Navi Rs.	Rithika Rs.	PARTICULARS	Justin Rs.	Navi Rs.	Rithika Rs.
				By profit and loss suspense a/c			2,500

JOURNAL ENTRY

Date	Particulars	Debit Rs.	Credit Rs.
	Profit & loss suspense a/c Dr	2,500	
	To Rithika Capital a/c		2,500

(B) Profit distributed based on previous 3 years profit:

$$= \frac{5,000 + 10,000 + 30,000}{3}$$

$$= 15,000.$$

$$= 15,000 * \frac{1}{3} * \frac{3}{12}$$

$$= 1,250$$

Dr **CAPITAL A/C** Cr

PARTIC.	Just. Rs.	Navi Rs.	Rithi. Rs.	PARTICULARS	Justi. Rs	Navi Rs.	Rithika Rs.
				By Profit & loss Suspense a/c			1,250

JOURNAL ENTRY

Date	Particulars	Debit Rs.	Credit Rs.
	Profit & loss suspense a/c Dr	1,250	
	To Rithika Capital a/c		1,250

Treatment for adjusting current year profit or loss (DEATH)

P.NO: 212 S.NO:ILL-- 22 ADJ : 4

Ramesh , Ravi , Akash - 3:3:2

Death Date - 31.03.2018

CALCULATION:

(4) Profit distributed based on previous 3 years profit:

$$= \frac{66{,}000 + 60{,}000 + 66{,}000}{3}$$

$$= \frac{1{,}92{,}000}{3}$$

$$= 64{,}000 * \frac{2}{8} * \frac{3}{12}$$ **(31.12.2017 TO 31.12.2018)**

$$= 4{,}000$$

Dr CAPITAL A/C Cr

PARTICULARS	Ram. Rs.	Ravi Rs.	Aka. Rs.	PARTICULARS	Ram. Rs.	Ravi Rs.	Akash Rs.
				By profit and loss suspense a/c			4,000

Journal entries

Date	Particulars	Debit Rs.	Credit Rs.
	Profit & loss suspense a/c Dr	4,000	
	To Akash Capital a/c		4,000

Treatment of Goodwill (DEATH)

P.NO:212 S.NO:ILL 22 Adj: 3

Firms Goodwill Rs.24000
Ramesh , Ravi , Akash - 3 : 3 : 2

CALCULATION:

24000 * 2/8 = 6,000

Gaining Ratio = 3 : 3

(6000 / 2 *1 * 1) = 3000 , 3000

CAPITAL A/C

Dr Cr

PARTICUARS	Ram. Rs.	Ravi Rs.	Aka. Rs.	PARTICULARS	Ram. Rs.	Ra. Rs.	Akash Rs.
To Akash Capital a/c	3,000	3,000		By Ramesh capital a/c			3,000
				By Ravi Capital a/c			3,000

JOURNAL ENTRY

Date	Particulars		Debit Rs.	Credit Rs.
	Ramesh Capital a/c	Dr	3,000	
	Ravi Capital a/c	Dr	3,000	
	To Akash Capital a/c			6,000

Settlement of the amount due to the retiring partner:

The amount due to the retiring partner may be settled in one of the following ways:

(i) Paying the entire amount due immediately in cash
(ii) Transfer the entire amount due, to the loan account of the partner
(iii) Paying part of the amount immediately in cash and transferring the balance to the loan account of the partner

P.No : 201 S.no : ILL 15

Kavitha, Kumudha and Lalitha 5:3:3
Kumudha retires from the firm on 31st December, 2018
On the date of retirement, her capital account shows a credit balance of ` 2,00,000.

Pass journal entries if:

(i) The amount due is paid off immediately by cheque.
(ii) The amount due is not paid immediately.
(iii) 70,000 is paid immediately by cheque

(i) The amount due is paid off immediately by cheque.
(ii) The amount due is not paid immediately.
(iii) ` 70,000 is paid immediately by cheque

Dr **CAPITAL A/C** Cr

PARTICULARS	Kav. Rs.	Kumudhu Rs.	Lal. Rs.	PARTI.	Kavi. Rs.	Kum. Rs.	Lal. Rs.
(1) To a/c		2,00,000					
(2)To Kumudha Loan a/c		2,00,000					
(3)To Bank a/c To Kumudha Loana/c		70,000 1,30,000					

JOURNAL ENTRIES

Date	Particulars		Debit Rs.	Credit Rs.
	(1)Kumudha Capital a/c	Dr	2,00,000	
	To Bank a/c			2,00,000
	(2)Kumudha Capital a/c	Dr	2,00,000	
	To Kumudha Loan a/c			2,00,000
	(2)Kumudha Capital a/c	Dr	2,00,000	
	To Bank a/c			70,000
	To Kumudha Loan a/c			1,30,000

P.no	S.no	Adjustment
201,203,204,206	ILL: 16, 17, 18 , 19	4

Settlement of the amount due to the deceased partner:

when a partner dies the amount due from the firm is paid to the executor or legal representative of the deceased partner.

P.no : 209 S.no : ILL- 20

Rathna, Baskar and Ibrahim - 2:3:4

Rathna died on 31st December, 2018.

Final amount due to her showed a credit balance of ` 1,00,000.

Pass journal entries if,

(a) The amount due is paid off immediately by cheque

(b) The amount due is not paid immediately.

(c) 60,000 is paid immediately by cheque

(i) The amount due is paid off immediately by cheque.
(ii) The amount due is not paid immediately.
(iii) ` 60,000 is paid immediately by cheque

Dr

CAPITAL A/C

Cr

PARTICULARS	Rathna Rs.	Bask. Rs.	Ibrah. Rs.	PARTI.	R.	B.	I.
(1) To Bank a/c	1,00,000						
(2)To Rathna Executor Loan a/c	1,00,000						
(3)To Bank a/c To Rathina Executor Loan a/c	60,000 40,000						

JOURNAL ENTRY

Date	Particulars		Debit Rs.	Credit Rs.
	(1)Rathna Executor a/c	Dr	1,00,000	
	To Bank a/c			1,00,000
	(2)Rathna Executor a/c	Dr	1,00,000	
	Rathna Executor Loan a/c			1,00,000
	(3)Rathna Executor a/c	Dr	1,00,000	
	To Bank a/c			60,000
	To Rathna Executor Loan a/c			40,000

P.no	S.no	Adjustment
210 , 212	ILL: 21 , 22	4

Thank you