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REVALUATION ACCOUNT

Dr.		Cr.	
Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
To Furniture A/c	10,000	By Loss transferred to Partners' Capital Accounts:	
		Anna	5,000
		Bina	3,000
		Teena	2,000
			10,000
Total	10,000	Total	10,000

PARTNERS' CAPITAL ACCOUNTS

Dr.				Cr.			
Particulars	Anna (Rs.)	Bina (Rs.)	Teena (Rs.)	Particulars	Anna (Rs.)	Bina (Rs.)	Teena (Rs.)
To Revaluation A/c (Loss)	5,000	3,000	2,000	By Balance b/d	2,00,000	2,00,000	1,00,000
To Anna's Capital A/c	-	12,000	18,000	By Bina's Capital A/c	12,000	-	-
To Balance c/d	2,25,000	1,85,000	80,000	By Teena's Capital A/c	18,000	-	-
Total	2,30,000	2,00,000	1,00,000	Total	2,30,000	2,00,000	1,00,000
To Cash A/c/ Bank A/c	2,25,000	2,45,000	2,45,000	By Balance b/d	2,25,000	1,85,000	80,000
To Balance c/d	-			By Cash A/c/Bank A/c	-	60,000	1,65,000
Total	2,25,000	2,45,000	2,45,000	Total	2,25,000	2,45,000	2,45,000



Working notes:

1. Gaining Ratio of Bina and Teena = 2:3

Firm's Goodwill = 60,000

Anna's (retiring partner's) goodwill compensation = $60,000 \times \frac{5}{10} = 30,000$

Bina's share in goodwill compensation = $30,000 \times \frac{2}{5} = 12,000$

Teena's share in goodwill compensation = $30,000 \times \frac{3}{5} = 18,000$

2. Calculation of new capitals of remaining partners:

Adjusted Capital of Bina = Rs. 1,85,000

+ Adjusted Capital of Teena = Rs. 80,000

+ Amount payable to Anna = Rs. 2,25,000

Total Capital of new firm = Rs. 4,90,000

New Capital of Bina = Rs. 2,45,000

New Capital of Teena = Rs. 2,45,000