

Step 1 - Given Information :

Hi, since you have submitted question with multiple subparts we are solving the 1st 3 subparts for you. To get the solutions for remaining subparts kindly resubmit the entire question and mention the subparts to be solved.

(1) Partner's Capitals as on April, 30 :

Mr. Easy = P 52,000

Mr. Ang = P 48,000

Mr. BM 99.2 = P 18,000

Total Capitals of Old Partners = P 52,000 + P 48,000 + P 18,000 = P 118,000

(2) Profit Sharing Ratio = 5:4:1 = 5/10 : 4/10 : 1/10

(3) On May 1 => New Partner **Mr. Papasa Ako** is admitted under various independent scenarios.

Step 2 - Journal Entries on the admission of the new Partner :

EASY ANG BM 99.2 COMPANY				
GENERAL JOURNAL ENTRIES AT THE TIME OF ADMISSION				
Sl. No:	Particulars	LF	Debit (\$)	Credit (\$)
<i>1-May</i>				
<i>1</i>	BM 99.2 Capital a/c		9,000.00	
	To Papasa Ako Capital a/c			9,000.00
	(Being Cash paid by new partner for 50% share of ownership Interest) - W.N. - 1			
<i>1</i>	Cash a/c		16,000.00	
	To BM 99.2 Capital a/c			16,000.00
	(Being Cash paid by new partner to BM 99.2) - W.N. - 1			

a	Cash a/c		15,000.00	
	To Ang Capital a/c			15,000.00
	(Being Cash paid by new partner for 33 1/3% share of ownership Interest) - W.N. - 2			
a	Ang Capital a/c		16,000.00	
	To Papasa Ako Capital a/c			16,000.00
	(Being Ownership Capital adjusted) - W.N. - 2			

b	Cash a/c		26,600.00	
	To Easy Capital a/c			13,300.00
	To Ang Capital a/c			10,640.00
	To BM 99.2 Capital a/c			2,660.00
	(Being Bonus distributed to Partners) - W.N. - 3			
b	Cash a/c		35,400.00	
	To Papasa Ako Capital a/c			35,400.00
	(Being Ownership Capital received by New partner) - W.N. - 3			

c	Cash a/c		6,600.00	
	To Easy Capital a/c			2,310.00
	To Ang Capital a/c			1,848.00
	To BM 99.2 Capital a/c			462.00
	To Papasa Ako Capital a/c			1,980.00
	(Being Bonus distributed to Partners) - W.N. - 5			
c	Cash a/c		35,400.00	
	To Papasa Ako Capital a/c			35,400.00
	(Being Ownership Capital received by New partner) - W.N. - 5			

Step 3 - Working Notes :

W.N. - 1 :

- (1) Mr. BM 99.2's ownership Interest = P 18,000
- (2) 50% of the above = P 18,000 X 50% = P 9,000
- (3) Actual Cash paid to BM 99.2 for his 50% Interest = P 16,000

(4) Bonus paid by Mr. Papasa Ako = P 16,000 - P 9,000 = P 7,000

W.N. - 2 :

(1) Mr. Ang's ownership Interest = P 48,000

(2) $33 \frac{1}{3}\%$ of the above = P 48,000 X $33 \frac{1}{3}\%$ = P 16,000

(3) Actual Cash paid to Ang for his $33 \frac{1}{3}\%$ Interest = P 15,000

(4) Bonus received by Mr. Papasa Ako = P 16,000 - P 15,000 = P 1,000

W.N. - 3 :

(1) Total Capitals of the Old Partners => P 118,000

(2) 30% of the above = P 118,000 X 30% = P 35,400

(3) Actual Cash paid by Mr. Papasa Ako for his 30% Interest = P 62,000

(4) Bonus paid by Mr. Papasa Ako = P 62,000 - P 35,400 = P 26,600

(5) Bonus distribution to Old Partners in their old Income Sharing Ratio = P 26,600 distributed in 5:4:1

(6) Bonus credited to Partners as follows :

(a) Mr. Easy = P 26,600 X $\frac{5}{10}$ => P 13,300

(b) Mr. Ang = P 26,600 X $\frac{4}{10}$ => P 10,640

(c) Mr. BM 99.2 = P 26,600 X $\frac{1}{10}$ => P 2,660

W.N. - 4 :

(1) Share of New Partner = 30% = 0.3

(2) Balance available for old Partners = $100 - 30 = 70\% = 0.7$

(3) New Income Sharing Ratio :

(a) Mr. Easy = $0.7 \times 5/10 \Rightarrow 0.35 \Rightarrow 35\%$

(b) Mr. Ang = $0.7 \times 4/10 \Rightarrow 0.28 \Rightarrow 28\%$

(c) Mr. BM 99.2 = $0.7 \times 1/10 \Rightarrow 0.07 \Rightarrow 7\%$

(d) Mr. Papasa Ako $\Rightarrow 0.30 \Rightarrow 30\%$

W.N. - 5 : (it is assumed that Bonus is paid to all partners including the New partner)

(1) Total Capitals of the Old Partners \Rightarrow P 118,000

(2) 30% of the above = $P 118,000 \times 30\% = P 35,400$

(3) Actual Cash paid by Mr. Papasa Ako for his 30% Interest = P 42,000

(4) Bonus paid by Mr. Papasa Ako = $P 42,000 - P 35,400 = P 6,600$

(5) Bonus distribution to all Partners in their New Income sharing Ratio = P 6,600 distributed in 35 : 28 : 7 : 30 (W.N. - 4)

(6) Bonus credited to Partners as follows :

(a) Mr. Easy = $P 6,600 \times 35\% \Rightarrow P 2,310$

(b) Mr. Ang = $P 6,600 \times 28\% \Rightarrow P 1,848$

(c) Mr. BM 99.2 = $P 6,600 \times 7\% \Rightarrow P 462$

(d) Mr. Papasa Ako = $P 6,600 \times 30\% \Rightarrow P 1,980$