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Question ✔ Answered step-by-step

Problem 1. Alucard and Chou organized their partnership on 01/01/19. The following entries were made into their capital accounts during 2019.

Alucard, capital

Chou, capital

BB

0

BB

25,000

1/1

35,000

3/1

10,000

6/1

10,000

9/1

10,000

10/1

5,000

11/1

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EB

50,000

12/1

8,000

EB

28,000

Required: If partnership profits for the year equaled P66,000, indicate the allocations between the partners under the following independent profit-sharing allocation conditions

Interest of 10% is allocated on weighted average capital balance and the remainder is divided equally.

A salary of P9,000 will be allocated to Chou; 10% interest on ending capital is allocated to the partners; remainder is divided 60/40 to Alucard and Chou, respectively.

Salaries are allocated to Alucard and Chou in the amount of P10,000 and P15,000, respectively and the remainder is allocated in the proportion to weighted average capital balances.

A bonus of 10% of partnership profits after bonus is credited to Alucard, a salary of P35,000 is allocated to Chou, a P20,000 salary is allocated to Alucard, 10% interest on weighted capital is allocated, and remainder is split equally.

Problem 2. The partnership agreement of Wanwan, Layla and Claude provides for the year-end allocation of net income in the following order:

First, Wanwan is to receive 10% of net income up to P200,000 and 20% over 200,000

Second, Layla and Claude are each too receive 5% of the remaining income over P300,000.

The balance of income is to be allocated equally among the three partners.

The partnership income was P500,000 before any allocations to partners. What amount should be allocated to each partner?

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Interest on average capital balance	10%	10%	10%
Remainder	40%	40%	20%

The average capital balances for the current year were P50,000 for A, P30,000 for B, and P20,000 for C. Assuming a current year net income of P150,000, what amount should be allocated to each partner? Assuming a current year net income of P50,000, what amount should be allocated to each partner?

Problem 4. A partnership begins its first year of operations with the following capital balances:

Natalia, Capital	P60,000
Ling, Capital	P80,000
Hayabusa, Capital	P100,000

The articles of partnership stipulates that profits and losses be assigned in the following manner:

Each partner is allocated interest equal to 10% of the beginning capital.

Ling is allocated compensation of P1,666.67 per month.

Any remaining profits of losses are allocated on a 3:3:4 basis, respectively.

Each partner is allowed to withdraw up to P5,000 cash per year.

Assuming that the net income, is 50,000 and that each partner withdraws the maximum amount allowed, what is the balance in of the capital of each partner at the end of that year?

Problem 1. Alucard and Chou organized their partnership on 01/01/19. The following entries were made into their capital accounts during 2019.

Alucard, capital		Chou, capital	
BB	0	BB	25,000
1/1	35,000	3/1	10,000
6/1	10,000	9/1	10,000
10/1	5,000	11/1	5,000
EB	50,000	12/1	8,000
		EB	28,000

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Problem 1. Alucard and Chou organized their partnership on 01/01/19. The following entries were made into their capital accounts during 2019. Alucard, capi... [Show more](#)

Problem 3. The A,B,C partnership agreement specifies that partnership net income be allocated as follows:

	A	B	C
Salary allowance	P30,000	P10,000	P40,000
Interest on average capital balance	10%	10%	10%
Remainder	40%	40%	20%

The average capital balances for the current year were P50,000 for A, P30,000 for B, and P20,000 for C.

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Problem 3. The A,B,C partnership agreement specifies that partnership net income be allocated as follows: A B C Salary allowance P30,... [Show more](#)

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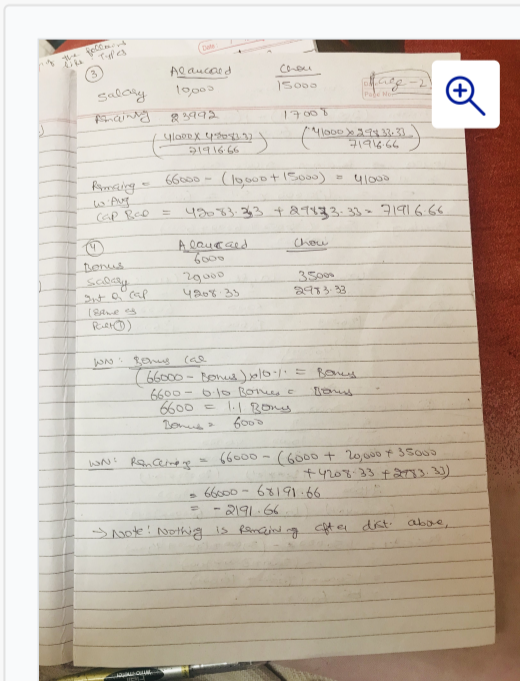
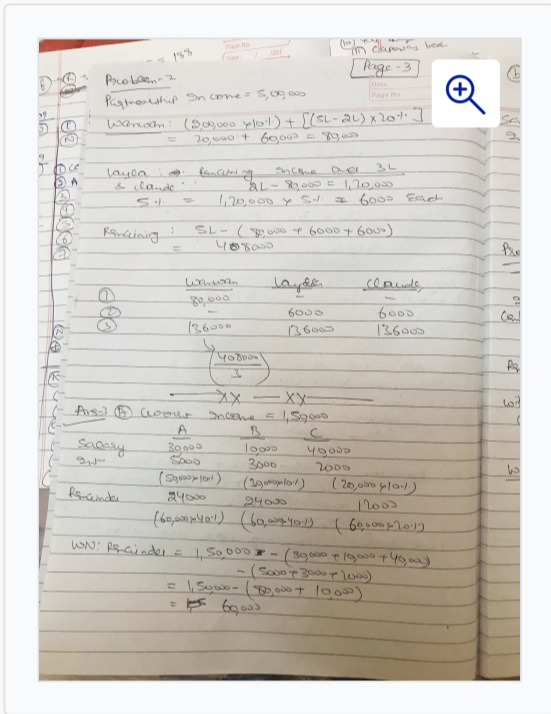
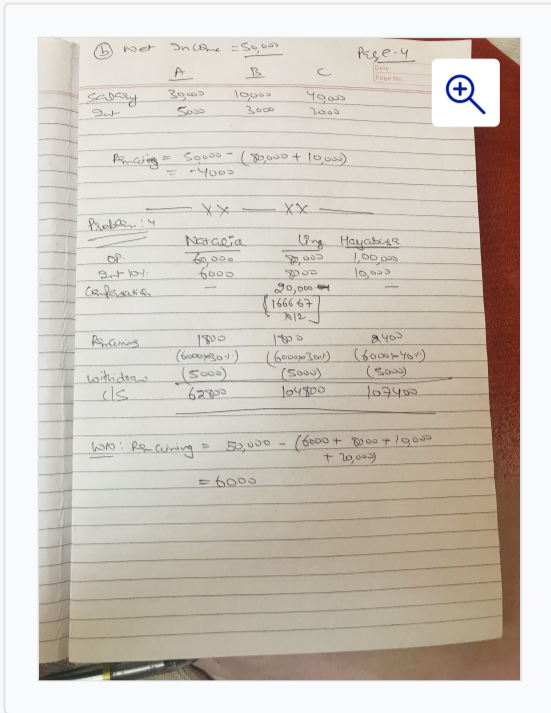


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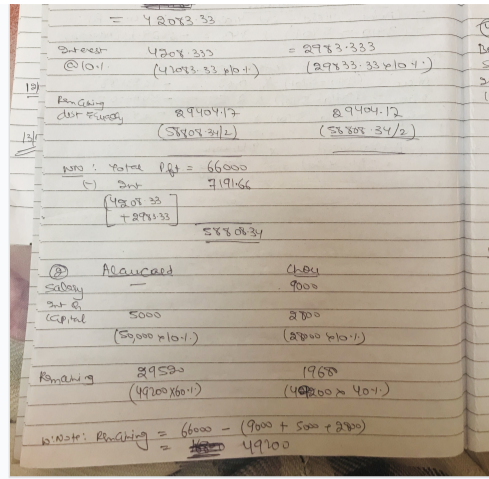
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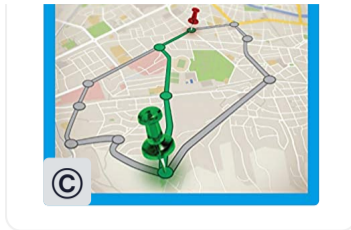
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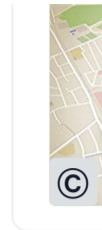
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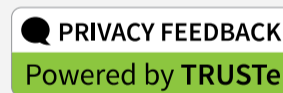
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