Diana Ali Account 2

Dr.Kareem Bitar lectures

First Sem 2024-2025

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Chapter 10 foucous on this Sof Plant Assets , Natural Rescurces 21 sep 24 & Intongible Asset Assels 1- Current Assels 2. Long term investment Plant assets 3. plant properety & Equi. Natural Vescurces 4. Intangibles Assets 5. other Assets What do we mean by plant assets? 1. it should have physical substance مر من ال Asser ايتمون 2 ما 2. purchaced to use in operation. (we should puy it for Use) and 3- No Invitoution for sale the Asset when we dising the server and puy it 4. This Asset will be used by the company more shan one year (Long term Asset) All this rules must accomplish to have plant asset or we can Call it fixed Asset Asset · How to calculate plant Asser Cast? another field at anise Cost of Price = all expendetures nessasury to acquire the Asset Cost make it ready for its intended use. ond when the set is the with the sen and the set is the weather the set of the se . daian & job Debt hand 130 000 \$ Cl'idet cash 130 000 \$

Plant Asset Land (Live for ever, unlimited, only Plant Asset that dosent nave Depreticition (limited life) 201 Budding Cridet Cach # # Cast claires when a labor when a period Investment the child be es (to

Mon23Sep

• Equipment Cost of equi? In the Slides There is a different between equipment & Furniture. في نوحين من المصاريف في المعاسبة فوع تشكلت منه مرة وحدة ونوع بدينهل آيكر متل التأمين Recurring Opperating Expence علية توزيح محامله سر العجم على مدة ماته Depretiation: Three ways to Calculate depresiation 1. Street line method حريقة العسط الثادت +ogether 2. Units. of . achivity method طريقة وحدات للأنتاج طروقية الرصيد المتنا قص منضة ورلما يقتلن أل تنعن 3. Declinere balance method. - alore -Matching principle in accounting and I expense Velience I Curie Wear & tear > the state What i took in Count when i want to Calculate Depretiation of Plant Assets? There Are 3 factors: 1. Cost بن<u>ون</u> <u>کچی کے</u> الاتھا ا 2. USful life 3. Salvage Valle (Residual Value) قليط عيانه مع خبسما عبضتما عيقا (USFul life, Salvage life) - are assumptions, accounting estimates Cast is not an assumptions, it's head value, we Can't Change it Real value Carit be change. Assumptions (Accoupting Estimates Could be Changed) STUDENTS-HUB.com Uploaded By: DianaHajAli

Calculate Depresiation: 1. Straight line method (SLM) > Den't need Table Wed 25 Sep stides page 18 Bomple: Pale of Purchase 1 jan 2014 Cost 13 000\$ 1 000 \$ Salvage Valle Behl life 5 years Useful life 100 000 mile Deprehable cast Depresionics Expanse in your = Cost - Salvage Value 13 000 - 1000 = 2400\$ par year Beful Life in years 5 31/12/2014 2400\$ + Deprehation expense Adjusting entity العتد للأمل Accumulated Depresioning 2400 Contra Asset TVUCK 1300 dess: Acc. dep (2400) Net Book value 10 600 كل منة ما لطويقة نتحمين في النيجة لهل اسم القبط الثاب (SLN) well wies for time to • Boek Value = Salvage Value at the end of lose life تاريخ الشرك في مربعة (H-I) مهم ، يؤمن بعين المعادلة دوليعتل لسنة كاملة إذا بعضي لأسم. وم X # of Montus Cost - Salvage Value L'in lair Beful like in years Activity (Production) 2. Units Usful life in yours Jus or SIM , Equins Usful life in with lip in Cost - Salvage Value Depretionin Expense Por Unit Usful life in Units 13000 12.8 / mile (Unit). 1000 (D) DOP mile Constant, it will be constant Devetication if we Use the equipmentls nct equally calh year

Depreciable cost Units of Activity (Production) $\frac{1}{10000} = \frac{1}{1000} = \frac{1}{1000} = \frac{1}{1000} = \frac{1}{1000} = \frac{1}{1000} = \frac{1}{1000} = \frac{1}{10000} = \frac{1}{1000} = \frac{1}{10000} = \frac{1}{10000} = \frac{1}{10000} = \frac{1}{10000} = \frac{1}{10000} = \frac{1}{10$. In Units of Activity method we don't we just Care about Vse the equipment = 15000 ×0.12 = \$1800 Dep. Exp. 2014 $= 30,000 \times 0.12 = {}^{4}3600$ $= 20,000 \times 0.12 = {}^{4}2400$ Dep. Exp. 2015 Dep. Exp. Dit need Kalal 20/6 $20/7 = 25000 \times 0.12 = 3000$ $P_{2018} = 10,000 \times 0.12 = 1200$

Sat 28 Sco 3. Accelerated Dep. Methods: Need Table The Declining - Balance Method Ad IL Assels une when a big and here a big all and لت فت عالمه فسقدمه أكتر م السن ال تعدها - Depletiation start high then stat getting lower Need Tuple to orgnize info. How to Calculate ? Slides Ex : 1 Straight Line Yale (SI Pate) 201 Usful life in years * The Required Rate = SL Pate 2 X 401 - we use this parentage when (Double) 3 when (Trible) · BV End of Your = first Your BV _ Accumulated Dep each your Book Valle begining of glow BCOK Vallel End of year Dale Accumulated Dep Depretiation Expense 2014 5 200 13 000 13000- 5200 = 7 800 40% × 1300\$ 2015 401. × 7800 = (3120) 5200+8120 = 8 320 13000-8320 = 4 680 7 800 2010 4 680 40% X 4 680 = 1872 8320 + 1872 = 10 192 13000 - 10 192 = 2 808 2017 401 x 2808=(1123\$ 10192+1123 = 11 315 2 805 1300-11315 -1685 685 40% × 1685 = 674 2018 11315 + 674 = 1 989 1 6 85 685 1 2000 على الفغي بنسبة كابتة آخر سنة لانتم تغلي Back Value = Salvag Value zin 1 . 2. مش دائيًا بوص السنة الانزة بيتغمد الموجن كالنبت mether this mortant lim is at

Pale	Book Valle bigining of year	Depretiation Expense	Accumulated Dep	BCOK Valle End of Year
2014	13 000	50 7. X 13000\$	6 500	6 500
2015	6 500	50 1. x 6500 = 3,250 \$	a 750	3 250
2010	3 250	507. X 3250 =16751	11 375	1 625
2017	1 625	507 × 1625 = 818,5\$	12 187.5	812.5
		625	12 000	1 <i>000</i>

* ادا بيطني أسرك بين أنك سنة علي على أساس الأسرك لجرها لقل

(3) Declinning Boldmice Hottlod: (Double) 2.5 declinning * SL Rote = uzful yhim yews = 5 = 20% * Required Rate: 2.5 × 20% = (50%) Date (Beg of yew) Depresiden Expanse Accumulated Book 2014 13000 = 50% × 13000 × 9 = 4875 4875 8 Accumulated Depresention 4875 8125 8125 = 50/ *8125 = 40625 8937.5 40625 2015 2016

2.0CH 2014 wed and Account 2 Hord Cill Charles Kensing Periodic Deprekiation: Accounting Estemate SIM Acu Jeipir S فقريرات معاسبية افتراضيهم التخنيش منتي السنس المستقلية Estempte in (Salvage Value, Usfullife) chang in one of them or both Ex: Purchaed equipment 510 000\$ Cost estimated Usful life 10 years Salvage value 10 000\$ Depreciation has been recorded for 7 years. (SLM) In 2014, 8 years, Total estemated life Should be 15 years, Salvage Value 5000\$. Calculate Revising Depreciation ? Revised depreciation expense per year (SLM) Bock value - (new salvage value) - salvage instructions for use of salvage is · Book V= Cast - Accumulated depreciation. old depretiation = 50000 $A ccumulated Depreciation = 50 000 \times 7 = 350 000$ B cot value = 510 000 - 350 000 = /160 0001- new Salvage Value = 150001 - jege mesi as in legisles Remeaning new usful life = new usful life - has been recorded. = 15 - 7 = 18 years

Revised Dep / year = (160000 - 5000) = 19375 Revising landue landeron • Expenditure During Usful Life Opperating Expense : Revenue Expenditure. مصاديف ماحدة متكرة لا تزيد من ساغ ال العظم ولا يؤتر مل عله: Repairs « Repairs * التم مطهرة لتبقيه مل وجد * Additions & Improvments: Addition & Asset in provments: Capital expendeture -> Asset 3 Juin because we de capitlaization. in 2014 . 8 years, Total estemated life Should be 15 years . Salvage Value 5000 \$ Calculate Revising Depreciation P · Hevised depreciation expense our war (SLM) -= Brok value - meus salvage value-Saik V= cost - Accumptated diggregishian. old depretiation = 50000a countrated Depression = 50 00 X 7 = 350 000 · Book value = 510 an _ 350 000 =1760 0001 rieus Sulvinge Value = 150000 Remained and asked where a new usful life - has been new

Plant Asset Jis nosa (Scrapping, Discarding) Retirment Selling of Plant Asset first step on them all - Calculate BV Exchange of Plant Assel _____ Similar Assel 3 study from Kler Retirment (scrapping, Discarding) -> there is not gain in this situation First Step -> Calculate the Plant Assel Book Value if there is Book Value = 0 -> there is no Loss if there is Book value > O, there is Less = Book value Selling Plant Asset Oŀ there Guld be gain BV < Selling there could be 1055 BV > Selling BY = Solling price there isn't gain, Loss. Cridet Asset at it Cost Debit Accumulated Dep Similar Exchange In general - We Exchange to Impicive the Asset مع أربع *فنه* not always Trade-In Allowance (fair Value) الغمة السوتية BV ~ trade in Allewance (fair Value) there Guld be gain BV > trade in Allewance (fair Value) there could be loss there isn't gain, loss. BN = trade in Allewance (Pair Value) of of new Asset. Fair Valee (trade mallowns) of Asset + Cash Paid

Ex Machinery Cost = 2000\$ Ar Dep 15 cc BV = 5000 8 O Assume it will be exchange for new one, fair MV = 3000\$, cash to be paid = 25 000\$ LOS = 2000 8 Cost of new machine = 3000 + 25000 = 32600 * Acc Dep (old Maching) 15 000 Machine (News 28 000 Loss on Exchange 2 000 Machine (old) 20 000 rash 25 000 . 10ss un Expense 1)r DUS Main Cr as a Revenue LIEW * Acc. Dp. (old Machine) 15000 Machine (New) 28000 Loss on Exchange 2000 Machine (old) Machinen; 20,000 Cost = 20,000, Acc. Dep = 15000. 25000 Cash B.V= \$5000 * Acc. Dep. (old Machine) 15000 Machine (New) 31.000 2) Assume it will be exchanged for a new one, fair market Value = 6000, Cash tabopaid = 25000 Machine (dd) 20,000 Gain = \$ 1000 ash 25000 Cost of New machine = 6000 + 25000 = 31000 Gain on Exchange 1003 IF MV = 5000 _> BV = MV -> NO Gain or LOSS * Acc Dep (old Machine) 15000

30 000

Machinery old

Coth

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Machine (New)

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20 CCO \$

25 000 8

NATURAL RESORCES الأوك الصيحية Plant Assa agus duino de Long Term Asset يترحى قام السركة لعدد من السنول مجدر متم استمال با فيه Resorces has Depletion Natural Depletion Expense Accumulated Depletion Ň Calculate . One way Ð epletion: TY (Production) Ccal Hine EX. Cost = 5000 000\$ 0= + 6 5.V = 0 Ustallife = 10 and an Ton Destion EXPENCE per Unit = <u>Cost</u> - S.V ()stud tite = 5000 000 - $0 = = 5/10^{10}$ 10 000 000 Depletion Expence .5 X 400 200 000 = 0000 Depletion Expense 400 000 Accumulated Depletion 400 000

Intangible Assels -> Slides M Co Cino firm a signer a Account 2 Sat. 1200+24 Diana Ali Natarual Resources. Units of Activity Balance Sheet (3ai) i for Intangible Assets Assels à moderie Ex: Copy rights , trade markes ... 2 Typs of Intangible Assets: (Jose (uni) - suns li olo ale alice Definit Life 21 Indefinit Life has a Amortization Expense Same as Deprehation & Depletion Dosn't have AmortiZation Amortization Expense Asset it self cr Not Accumulated = Amerhization

E 10-15

a BV (06) = 64000 - 22000 = 42000 . F. M. V < B. V => Loss = 42000 - 38000 = 4000 Cost of New Trucks = 38000 + 17000 = \$55000 * AcDep (old huks) 22000 Tracks (New) 55000 Losson Exchange 4000 Old Tracks 4 64000 Cash 6 17000 7

B BV = 12.000 - 4000 = 8000\$ F.M.V > B.V -, Gain = 11000 - 8000 = 3000

B BV (06)= 12000 - 4000 = \$8000 F.M.V > B.V = Gain = 11000-8000 = 3000 Cost of New Madeia = 3000 + 1/000 = 14000 * AcDep (old Madine) 4000 Machine (New) 14000 old Machine 12000 Cash . 3000 Gain on Exchange 3000 6

14 OCT

Question 1 (7 points)

NAT Company purchased an assembly line (machinery) for \$950,000 on April 1, 2012. The truck was assigned an estimated useful life of 10 years and has a residual value of \$50,000.

a- Compute depreciation expense using the straight line method for the years 2012 and 2013.

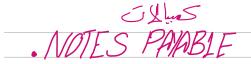
 $Dep ex / year = \frac{950 000 - 50 000}{10} = 90 000 per year$ $dep exp 20/2 = 90000 \times \frac{9}{12}$ s 67 SUO Dep exp 2013 = 90 000 کا لطفاً ممنوع التدخين لرجاء عدم إخراج المقاعد من الغرفة 10 b- Compute depre 2012 and 2013 Date 2012 950,020 = 20/. * 950,000 × 1/2 142500 807.500 142 500 - 20/.+ 807 500=(161,500 807,500 203 304000 646,000 ulpa 1 If the machinery had a useful life of 120,000 hours, and was operated for 6,000 hours in 2012, and 8,000 hours in 2013, Compute depr method for the years 2012 and 2013. Cost - Accumulate

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SLM. Kate = 10 = 10 Required Rate = 10% + 2 = 1) ep. Exp/ = 90,000 950,000 - (4 * 90000) = 590,000 d- Assume the company uses the straight line method, and the machinery was purchased on 1/1/2012. On 1/1/2016, the company revised its useful life estimate for the machinery, to become 14 years instead of 10 years. <u>Compute</u> the revised (new) depreciation expense for the year 2014. $\frac{590,000 - 50,000}{10} + \frac{54000}{10}$

Accumulated Dep is Contra Asset Ji Contra

Wed, 16 Oct Chepler 11 Current Activity & Payroll Accounting مين محنا hast Elic 29 after Detered _ The chapter Ends Liability -> أي الترابيات يستعن السركية يتسديها ف المستعل يدخى النظوس الزمس iabilit CUrrent (short term) التراسات كانع 1 مسروه الحترين 12 منهر كل للالترامات في التركية لبحا تسييما قبل *2 المم*ر . CUNTER Liabilites بيتم تسدير طنا المالك بواسطة Currant Assets Inventory -> durally a be Account Rec Current Liabilities and g current Liabilities 1 1 Je CURRENT Liabilites TYPS TI NOTES PAULABLE ____ Interest 3 Ad Payment (Uncarned revinew) 4 All type of Payables



Short-term Note Payable Long Jam Note Payable

hab an Interest Written Promise

EX: short term Note Payable Principle cuplicerel al الرجاء عدم إحراج الماعد من ال Ahuray assum Interest raty every your contract Muturity Client Accounting for Current Liabilities Illshine -> Intres Illustration: First National Bank agrees to lend \$100,000 on Procipal September 1, 2014, if Cole Williams Co signs a \$100,000, 12% (four-month) note maturing or January 1.) Instructions () a) Prepare the entry on September 1st. Nb) Prepare the adjusting entry on Dec. 31st, assuming monthly adjusting entries have not been made. c) Prepare the entry at maturity (Jan. 1, 2015). LO 2 Describe the accounting for notes payable Accounting for C 12% Interest Rate 12% Interest Rate 12% September 1, 2014, if Cold 12% four-month note mat 10 11 12 12 20 12% four-month note mat Instructions a) Prepare the entry or 9 10 11 12 *Cash 100,000 1/9/2014 Notespagable 100,000 vb) Prepare the adjusting monthly adjusting en Deserve the sut Interest Amount

Price Interest time

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12 Am & In der

V1/2015 * Interest Payable 4000 Notes payable 100,000 Cash 104000 10 9 10 2014 2014 Votespagable (20,000 Viz/2014/ nternt expense 4000 hternt pay able (00,000) ash 4000 .Sal Taxes Payable (VAT) مريق العمة المطافة Cou de'i loin preel (Leul VAT

23.0CF wed · Sales Taxes Payable (VAT): * Salestax payrible 16000 = CASH (6000 Sales Tax (VAT) = K Revenue > 100,000 N/S * CASH 116,000 116,000 16,000 Jax Sales Revue 100,000 Sales Tax payable 16000

Et The March 25 cash register reacting (tax not included) Debt Cash 10 600 sales Vervenue sales Jak payable 1000 6000 Tax included (1.8) جواتي ا

155 000 Nis 155 000 = Revenu 14 tax vate Jax 81. sales revenue 143 519 1ax 5 155 000 - 143 519 -يعه حاف الخطوة ينتل العتيد

ديغ مسيقاً . Uncurned Revenues (Advance Customer paymments) ما تشبس Revenue لوس Gap لازم نسون العام لا current hisbility & Unearned Pevenue freme EX Buperior University ticket price 50\$ Five games 10 000 Ticket Uncarried Revenue in Lindo with Con Lindo . Current Maturities of Long Jerm Debt: Portion - Cul érécción *CASH Sos,000 1 hoan pageble 500,000 100,000 Short Tem

liquidity Ratic

سب السيطة قدر الشرى على سياد ديون عندما حين

1 Cullent Ratio = cullent Asset Current liabilities کل دولار تی بوانانطان 2-3 > Good number Par et current la site - <u>13</u> - <u>13</u> - <u>14</u> <u>no</u> et a **Working Capifal - Current** Assel - <u>Current liabilite</u> <u>et al 140</u> - <u>Current</u> <u>Liabilite</u> <u>et al 140</u> - <u>Et al</u> if it's (-) then it's bad. Non.28 OCF · Contingent liabilities Three levels of probability, and (// in ini) Jed 24 Jean (Probable: (Reardid / Noteid) (Note

. Product warranties (Probable) U VIII يلب تشعلها وغيطها علمهم بنسطل في السنة يفي عت و المعات Dr Warrant-expense warrant liability cr EX **Contingent Liabilities** 500X80 <u>= 40 000 d</u> ēlit âlsā*s* Illustration: Denson Manufacturing Company sells 10,000 5/. washers and dryers at an average price of \$600 each. The 500 selling price includes a one-year warranty on parts. Denson 500+8 expects that 500 units (5%) will be defective and that warranty Unit (لازم (محل) repair costs will average \$80 per unit. In 2014, the company =40,000 honors warranty contracts on 300 units, at a total cost of \$24,000. At December 31, compute the estimated warranty liability. Make the required adjusting entry. Warranty Expense 40,000 - Warranty Liability 40,000 Warren liability = 24 000\$ reparir parts inventory 24 0001 = 40 0001 لازم عس بطنا، طعنا، لمحال وسيما السن الس مل ما تصلح مي من وجلع بعدل الديم ويقل ومما MV م me luli jaliability em . Probable -> · 501. Resonable ver ston her in The , Renote no record, no note in the with an

Chapter 12

تعب ماسي The ECONOMIC Entity Assomption _ All Types of Buss لينطب عليه في عليه في ماسي المالية في المالية في ماسي المالي في ماليه في ماليه في مالية في 2) Legal Separation Partnership Parnership: association between 2 or mere Individuels to own and operate Bus for profit. (USUAlly 2-10 indeviduals) (USUAlly in service sector) الركات الندقيف ، شكات معاملة عالميت high failure شكات التطاس عكن أحطابها برصلو للآلاف Partnership characteristics 1 association Balance Sheet Asset licibility would Equity Ownus Equitys Ownus Equity 2 Ownus Equity 3 Every partner has his own Capital 8 his ann Drawingugs Account Paper + 35 prints - Midterm ch 10.11.12 -> 4 Dec ييسم الربيح أوالحساة على الشَّطاء مسب المكتنات بينهم. _ 10 pints ← first QuiZ ch 13.3 18 Dec or 18 _ 10 pointsesec QUIZ ch 14.38 dan

• المتركة لا تدمع جزيبة دخل لأن التامون لا يحبوا كتان مست · Corboration is the only Buss that pay 21 Meetual Agency - This Leads to Problems - every partnur is responsible for his own action & his purtners actions. 31 limited life مان مربلز، انقل مربلز، دخل مربلز جرم . بدنا مزجع تشعل المشركة من (مل وحد 57 Untimited liability الع*انون مكن ملاحق* الترك*اع على أملاحهم* اذا السرّكة ما دمنت دمون . طلقية متركة للأصول . (5 Cownership of property متركة للأصول . متركة سب سبة المساهة من كل نؤل equal 7 asim Scides 9_15 Deleted

. Partnership agreement specify relationships among the partners اسماء وساحدت في شريف در Names & capital Contributions of partners روساحدت في شريف توزيج الرب والحساق & يشترط على (Basis of Shaving net (In Come, loss)) Basis of Shaving net (In Come, loss) سنبة المساحمة) توزيج الزريم وللمناق ملى الإنناف ؟ بس لمنا ما اتنتول على آلية معدة لتوزيج الزريم والحنداغ م العانون : يوزيخ الزريم والمناع بينوم بالمتسادي. بقِيد قدين عكن لكل سُرائي سِعب Provision for withdravals of Assets بقِيد قدين عكن لكل سُرائي سِعب وب يجاد ب Froceclures for submitting disputes to arbitration وب يجاد ب 51 Proceclures for submitting disputes to arbitration ایت بعبر کاریزد for the withdrawal or addition of Partner این بعبر کاریزد آمنین A Procedures for the withdrawal or addition of Partner سرکام 71 Rights & Duties of Surviving Partnuss in event of Partner Death. • كل ما زادت البنود وكتبنا عم أحس. • لازم كل السركاء يوافعو عص اعترار ليتم تنفيذه وتقريله د العرار بالاتجاع من بالانولية).

For a 2 Buss or more

According to Accounting Prevision.

· Don't take MV . Jake Fair Market Value (agreed abon Value)

Don't take Depreciation because Equipment now not working

· عَلَقَ لَسَحَل مساعمة كل شركة كللو (قدين معانسس) ، أو على أسبل قد واحد قيرس Illustration: Prepare the entry to record the investment of A. Rolfe. 8,000 Cash 4.000 Equipment A. Rolfe, Capital 12,000 Prepare the entry to record the investment of T. Shea. Cash 9,000 Accounts Receivable 4,000 Allowance for Doubtful Accounts 1,000 T. Shea, Capital 12,000

	Cash	17000		قيد راحد -	(بنجمع القيديت)
•	A/R	4000			
	Equipment	4000			
	 Allow 	vance for Doubtful Accounts	1000		
	 Rolfe 	capital	12000		
	• Shea	capital	12000		

ديون الي على الناس عكن الرحل Cr - Allowance -> Cr ممان ما أمعلما

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Allowance = 3000\$

	А	В	С	D	E	F	G	
1	E12-2 K.	Decker,	 Rosen, and E. Toso are forming a partr 	nership. Decker is	transferring			
2	\$50,000	of persor	nal cash to the partnership. Rosen owns	land worth \$15,00	00 and a small			
3	building	worth \$8	80,000, which she transfers to the partne	ership. Toso transf	fers to the par	tnership		معطيف التيم
4	cash of S	59,000, ar	ccounts receivable of \$32,000, and equip	oment worth \$39,0	000. The			معطيف التيم محاصرة انتشق
5	partners	hip expe	ects to collect \$29,000 of the accounts red	ceivable.				
6	Instructi	ons						John John
7	(a) Prepa	are the jc	ournal entries to record each of the partr	ners' investments				
8	(b) What	t amount	t would be reported as total owners' equ	uity immediately a	fter the invest	ments		
9							_	
10				÷				
11	1-	Cash		50,000)			Separete
12			Decke's Capital			50,000		In Knal
17	А	В	С	D	E	F	G	Jurran
14							,	Entry
15	2-	Land		15,000				\mathcal{O}
16		Building		80,000				
17			Rosen's Capital			95,000		
18								
19	3-	Cash		9,000				
20		Acconts	Receivable	32,000				
21		Equipme	ent	39,000				
22			Allowance for doubtful accounts			3,000		
23			Toso's capital			77,000 _{சு}		
24								

Assets becomes for all Partners liabilities becomes for all partners.

Cash Land Building A/R Equipment		59000 15000 80000 32000 39000	¢	-> One Journal Entry
	A.F.D.A Deckers capital Rosen capital	39000	3000 50000 95000	
	Toso capital		77000	

Mon, 4 NOV

Closing Entry: 17 To close Revenues Account: * Revenue Fincome summary Account 21 To close Expense Account: * Income summary Account Expense Expense 1 Expense 2 31 To close The Inlome Bummery Allount الوصية ملي حكن تتغير (رج / تناك) + Income Summary Account ____ owners Copital PMFnyship FI To close The Drawings Account * owners Capital_ owner's Drawing _____ Income summary Account طالق ربع arty Capital de finite Dawing of . den sign was

* Capital Changes www.pahner I ite entry Capital Il entry Dividing Net Income or Net Loss A B C - Fixed Valio 20%. 30%. 50%. -Ratio based on Capital Balances - Salaries to Partners and reminder on fixed ratio Slide 123 EX: Ahmad, Hani & Piami 1524 Portnership 1 Jan 20 Begining Coptral April 60 000 8 formers I celin Hani 40 000\$ 120 000\$ Rami 20 000\$_ جزر من توزيع الربع not expense total Revenue total capital inplu رولي (الموظفين) Total Revenue = 120 0008 Expense We Allocate بغول ال المان الم توزيع (ربع اوضاع) بدندي در الم الم Partman ab Il la se in the second

Clasing Entries; Req Income Summy Account .Di To close Revenues Account: (1)belo * Revenues 120,000 Income Summa yAccount 120,000 20.000 24 60,000 50 60,000 (2)o close Expenses Accounts: * Income Summay Acc 50,000 Ans Rent Exp. This 15000 To close the Drawing Accounter supplies Exp. 3000 Met 25000 thund Capital Rami Capital Each tililities exp. 12000 epreciation exp. 0063 Ahmod Daving Rami Drawing foo fand

المثال موجود بالملايدان بع يقبع الدكتور

	المثال موجود بالملايدان يك بقل الدكتور	
Required:		
•Divide the Net incor below).	me between the partners (using the different ways given	
• Prepare the closing	entries for the accounts on 31-12-2020.	
्र for dividing and clo अध्यक्षतित.	sing the Income Summary account, use only the last	
Answer: Net Income f This is to be divided a	for the year = 120,000 – 60,000= \$60,000. s follows:	
Method 1: If the agree	ement does NOT give a specific method for division	
Each one will get 1/3	of the net income, that is \$ 20,000 to each partner.	
Method 2: Income to	be divided in a fixed Ratio of Ahmad (40%), Hani (40%),	
and Rami (20%).		
So, in this case	Ahmad's Share = 40%* 60,000= \$ 24,000	
00	Hani's Share= 40% * 60,000= \$ 24,000	
10.05	Rami's Share= 20% * 60,000= \$ 12,000	
12-25		

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Method 3: If Salaries are given to partners as follows: Ahmad \$ 12,000, Hani \$ 18,000, and Rami \$ 8,000.Then the remaining in a fixed ratio of : A 50% and R (25%) **Division of Net Income table** Item Ahmad Hani Total Rami ALC 60,007 Income to be divided 51 + 8,000 38,000 12,000 - 1 18,000 Salaries to partners 22,000 **Remaining after salaries** (22,000)E 11,000 5,500 5,500 Divided in a fixed ratio: 22,000*25% 22,000*50% 22,000*25% 13,500 23,500 23,000 0 Share of each partner Note that the total shares must be equal to the Net Income that was divided= 60,000. 0

: Income we want to divide Step 1

step by step as in the Contract Step 2 :

Step 3 بجع افعي

Divided in a lix fatio Step4

Step 5: س top لا ملات ما ()بيت اكروله العامود تته

Step 6:

step7:

لار جوم الملح 00 00 العالة

اتناق مركب م يضل أعل حدول محق ما أنريط نجع أفقي هدها بنطح من الرحم يك فوقها Uploaded By: DianaHajAli

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Method 4

Step 1 >

بذخصم لتر شريك 10٪ من ال المهم تحص

مس مدط نعني كل الباوندز واتب

دايم فتح الحميم ب المنوسان مأكر من حلتا.

Dr * Income Summary

	CV		
Ahmad	Capital	26 400 2	
Hani	Capital	19 300 \$	
Rami	Capital	14 200 \$	
1			

Assume the company had a net loss of 40 000\$ - when we calculate loss [] not for it it mean it's

Turganve · a	لامل مه
Method 5: If partners are given salaries as follows: (A) 20,000, (H) 15,000, (R) 12,000, then they are given: 10% interest on their beginning capitals, then the remaining in a fixed ratio of : A (400()) W (20,000, (H) 15,000, (R)	
remaining in a fixed ratio of : A (40%), H (30%) and R (30%) Division of Net Income table	-40 -47

Assume the company had a Net LOSS of \$ 40,000

ltem	Ahmad	Hani	Rami	Total	100 this
Income to be divided		and set		40,000)	11
Salaries to Partners	20,000	15,000	12,000		260 -40-47=-8-
Remaining after Salaries	- JA	1.11	2 45 (V	ع (87,000) ک	Neghive 07 120
Interest on beginning capitals (10%)	6,000 10%*60,000	4,000 10%*40,000	2,000		-87-12 = -9
Remaining after interest	Northey	and the second	10%*20,000	(99,000)	12 Card
Divided in a fixed ratio:	(39,600) (99,000)*40%	(29,700) (99,000)*30%	(29,700) (99,000)*30%	((99,000))	Monine N
hare of each partner	(13,600)	(10,700)	(15,700)	0	7 200

Net Income that was divided= -40,000.

Negative ICI ()negy zb 2 Dr Capital Ahmaa Capital Hani Capital Pami CS * Income Summary Total Assets = Total liability + Owners Equity = + Capital _ Drawings Such ZIN Cus Method 5 only

	AHR Partne				1
Stater	ment of Part	ners' Capit	al		
For the	e year Ended	Dec31, 20	20		
	Ahmad	Hani	Rami	Total	
Beginning capitals (1-1-2020)	60,000	40,000	20,000	120,000	-
Add:	begin				-
Additional Investments	0	0	0	0	-
Share of Net income (case 5)	26,400	19,300	14,300	60,000	+
Subtotal	86,400	59,300	34,300	180,000	-
Less:					-
Partners Drawings	(4,000)	<u>0</u>	(,1000)	(5,000)	
Ending Capital (31-12-2020)	82,400	59,300	33,300	175,000	4/

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Thu, 7NOV . Admission of New Partner, find it in the APPENDIX 12. Not in the slides + Excel File -Entry of New Partner DBy Purchase of Interest ham an existing Partner/s OBy Purchase of Interest ham an existing Partner / 5 . Total Company Capital Do NOT Change. . Replace Shares between Parmers. بيشيك Capital بلي باع وبسجليها Capital للمشتوى ، التقاصيل ما دخلف فيها (ابيت بدينهم ، كان ولاستكان) لا دناف كنوية . Only Entry Needlel is to replace Shares Sold & bought. كشركة ما بيهمنا قديش السريك القدم باع المصة السريك الحديد ، بل سيمي the Record it وany thing else is Personale old Partner Capital Dr Cr New Partner Capital لوالشريك العتديم باع حصت بأكومن قيتها الربح يروح كجيبت . 2 By Investing Assets (usually Cash), Into the Exiting Partnership . Total Company Capital Change. -> رج الم Capital رج رجر .Increase (Total Capital) Equity There is 3 cases in This type of admission of new Partner. Case 1) New Partner invest an amount exactly equal to the Capital share to be recorded for him in the Company. e.g: if Kamel wants to enter this company, by investing \$ 25,000 cash, and gets 20% ownership share (capital). Total old capital= 100,000 Total New Capital= 100,000+25,000 = 125,000 STUDENTS-HUShare of Kamel= 20% X 125,000 = 25,000 loaded By: DianaHajAli

Entry: Cash 25 000 \$ New partner Capital 2500\$ Share) to be recorded for him in the Company. BONUSTO Old Partner الزيادة بزيدهاعلى Capitals Old Partners حسب الاتناق بك بينابقم New Partner Invest an amount Less them the Carpital Share to be recorded for him in the Company. . Bonus TO New Partner. عندهم تعص بال Cash وكباد لشخص بيعد المتركة 121 e.g. if Kamel wants to enter this company, by investing \$ 25,000 cash, and gets 40% ownership share (capital). 122 Assume profit/ loss division Ratio is A 40% : S 30% : M 30% 123 Total old capital= 100,000 124 Total New Capital= 100,000+25,000 = 125,000 125 126 Share of Kamel= 40% X 125,000 = 50,000

127					A	S	M	
128	Bonus to NEW partner=	50,000 - 25,000 =	25,000	Allocated	40%*25,000	30%*25,000	30%*25,000	
129					10,000	7,500	7,500	

العنساغ بتتوزع على المركاء محسب الإنقاق بيسانيم من العلم Gpilas العونم.

Sat.9NOV

Entry into partnership

71 By Ruchase interest by one or more Partmer

- capital Seller Partner decries by how much	h he sell
- Capital Buyer Increase.	
- capital Seller Partner decries by how muc - Capital Buyer Increase. - Total Capital Vemain the Same.	

21 By INVESTING in the corporation more them the Capital recorded

Case 2 Konus to old Partners Invest Amount more than the Capital share حلة مس شانغة المعامل New partment جس ب عيلون ال Capital جس ب عيلون ال Invest مح الله مس من شانغة المعنان الم Bouns تبجه المركد ستم توزيعها مس الاتنات .

Case 3 Cash Men Bonus To New Partner

Investan amount less than the Capital Share

لبونع الحساخ بناء على الماتقاق الي بساتم.

السويك الحب يدحو للاقت

This Pg is

a Pevision.

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P12_4A С G * P12-4A At April 30, partners' capital balances in PDL Company are G. Donley \$52,000, C. Lamar \$48,000, and J. Pinkston \$18,000. The income sharing ratios are 5:4:1, respectively. On May 1, the PDLT Company is formed by admitting J. Terrell to the firm as a partner. 4 Instructions (A) Journalize the admission of Terrell under each of the following independent assumptions. (1) Terrell purchases 50% of Pinkston's ownership interest by paying Pinkston \$16,000 9 in cash. 10 Pinkston Capital 9,000 Terrel capital 9,000 11 يعي التيب، سب الاسماد مرتبة - Vespechively 5:4:1 - 50% : 40% : 10% Il Purchase 501 of Pinkston's ownership interest by Pinkston 16000 \$ 18 000\$ en Keston Capital 9000 \$ 1000 beie الشرح عفط 2000 محملة المرح عفوط 2000 \$ 9000\$ 16 mls 21 Terrel Rurchase 33.3% Jamar's ownership interest by paying 1amor 15000811 Cash lamar Capital 16000 & Terrel Capital 1600 STUDENTS-HUB.com Uploaded By: DianaHajAli

	A	В	C D
Terrell capita	l 16,000		
(3) Terrell invests \$62	2,000 for a 30% ownership interest, and b	onuses are given	to the
old partners.			
New capital= old cap	pital + 62,000= 118,000+ 62,000= 180,000		
Share given to Terrell	= 30% X 180,000 = 54,000		
Allocated as : Donley (8,00	00 X (5/10))= 4,000, Lamar (8,000 X (4/10))= 3,20	00, Pinkston (8,000	X(1/10))= 800
Cash 62,000			
	54,000		
Terrell capital	,		
Terrell capital Donely capital	4,000		

31	(4) Terrell inve	sts \$42,000	for a 30%	ownership ir	nterest, w	hich ind	ludes	a bon	nus to
32	the new partn	er.							
33	New capital= old cappital + 42,000= 118,000+ 42,000= 160,000								
34	Share given to Terrell= 30% X 160,000 = 48,000								
36	Allocated as : Donl	ey (6,000 X (5/1	.0))= 3,000, La	amar (6,000 X (4/	(10))= 2,400,	Pinksto	n (6,000	X(1/10))= 600
37									
38	Cash	42,000							
39	Donely capital	3,000							
40	Lamar capital	2,400							
41	Pinkston capital	600							
		<u>, р</u> ,	-						

Bonus for new Partners

Sun,11 NOV

Withdrawal of a partner 17 By Selling partner Capizad ببياح محتمد المواجد أوأ كقرمن السركاء الموجودين أول مشخص خانق. Key word : Selling of Interest. Total Capital Venain the Same, but we replace the withdrawn partner capital to other new Partner. كل يك بيعما استبدال المراح الشريك بالتربك الآنو وأساسط نتعل القيد. MaherCapital Dr البانغ Ahmad Capital Cr المستحي

2 By Wilndrawing Assers Company Capital decreasied a block is a like a lik . Company Capital decrease. by Partnur Withidrew. Key words: withdrawing of Assets Withdrawing of Cash Case 1 The Pallfner (with drawed) is Paid an Amount Exactly Equal to his Capital Fartner Capital = artul - mi Total Capital Leaving Partner Cr <u>Cash</u> D_{r} كانه بياتذ Cash ب يطلع Case 2 Bonus to Remaining Partners Leaving Parmer is Paid less than his Capital. Prohit & Loss Sharing cur Ego Example (new so divid Bonus): 7 407. : 407. : 201. 21 40% : 40% -4:4 Capital remaining Leaving Partner Dr Maher Partners. cash Cr Ahmad Capital. Bonus to remaining Cr Sameer CopulalbadedreshudianaHajAli STUDENTS-HUB.com CY

Sonus to Leaving Partner Case 3 Leaving Partner is Paid more than his capital A: A # 11,666.67 5000 655 Toh Leaving Partner Capital Maher CY Cach Example: Partners B : C A : 30% : 30%. 40%. Prohit loss ration Capitals 30 000 \$: 20 000 \$ 40 000 \$ 35 0008 leaving by withdrwal Capital Cafter B withdrawal of Assets (Cash)

·Liquidation of Partnurship _____ Balancesh 11. Ends both Economic & Legal life of entiry Steps: 1_ Sell all non Cash Assels (two them into Cash) 2 - Allocate Lose/Gain according to partners deal. 3. Pag all of your liabilities. 4_ Distribute Cash on Partners (Capital in portmers allaunt) current of . When Cash is less than Capitals it's unusual situation _ Normal liquidation (Cash = Capital)

$\begin{array}{ c c c c c c c c c c c c c c c c c c c$											
Cach 5.000 Note Physicle 15.000 AR 15.000 Accounts Physicle 15.000 Invertency 18.000 Partners' Capitals: 1000 Table physicle 15.000 Care Capital 17.000 Care Capital 17.000 East Capital 17.000 Process: 15.000 Care Capital 17.000 Societ Care Capital 17.000 East Capital 17.000 Process: 15.000 Care Capital 17.000 Societ Care Capital 17.000 East Capital 17.000 Societ Care Capital 15.000 East Capital 15.000 Cash 75.000 East Capital 15.000 East Capital Cash 15.000 East Capital 15.000 East Capital 15.000 Societ Cast Capi		Balance She	et		Ca	sh	A/R				
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Assets		Liabilities		Dr	CR	Dr CR	\cap			
$\begin{array}{ $		5,000	Notes Payable	15,000	5,000		15,000				
LatArret CapitalLat ($\frac{8000}{2}$)Lat $\frac{8000}{2}$ Lat $\frac{8000}{2}$ Lat $\frac{8000}{$	A/R	15,000	Accounts Payable	16,000	75,000		15,000				
Equipment 35.000 Arret Capital 15.000 Accumic System (R day) Case (Capital 12.800 Dida Assets 65.000 Cala Laberties and Partners' Capital 12.800 All Assets 65.000 Cala Laberties and Partners' Capital 12.800 All Assets 65.000 Cala Laberties and Partners' Capital 12.800 All Assets 75.000 Accumic Parentiation 1 Accumic System (R day) Accumic Parentiation 1 Cash 75.000 Accumic Parentiation 1 Accumic System (R day) Cala on sale of assets 15.000 1 Cash 75.000 Accumic Parentiation 1 1 Accumic Parentiation 6.000 1 1 1 1 Cash 75.000 Accumic Parentiation 1	Inventory	18,000	Partners' Capitals:			31,000	0 0		-	~	
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Total Access 65,000 Total Lubifities and Partners' Capitals 65,000 10,000	Equipment				0	0		2	. 2 .	1	
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	Accumulated Depreciation (Equipment)	(8,000)							~ .	5	
And is (2): (2):								6	6	Ň	
And is (2): (2):	Total Assets	65,000	Total Liabilities and Partners' Capitals	65,000		CR				2500	
A(3) (2) (1) 0<					18,000			- 150	5000	~300	
$316 \pm 2/6 \pm 1/6$ Process: 2- Set all Mon cach assits for 375,000 Gain on sale of assets to 157,000 Gain on sale of assets 15,000 Gain on sale of assets 15,000 Gain on sale of assets 15,000 Gain on sale of assets 15,000 Arccumplate Gain capital Gain on sale of assets 15,000 Gain on sale of assets 15,000 Arce capital 22,500 Arce capital 22,500 Arce capital 22,500 Care capital 20,500 Care capital 20,500 Care capital 20,500 Care capi											
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13 Setti Non cash assets for \$75,000 Accumulated depreciation 8,000 Accumulated depreciation 8,000 Accumulated depreciation 8,000 Cash Accumulated depreciation 8,000 Accumulated depreciation 8,000 Accumulated depreciation 8,000 Accumulated depreciation Notes Payable 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 15,000 16,000	Brocossi				-						
Cash 75,000 Calls 75,000 Calls 449,000 k Calls 449,000 k Calls Calls A49,000 k Calls		5 000			-						
Accumulated depreciation 8,000 Corr (u/s) Corr							-		h 19	and t	
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Accounts payable15,000Accounts Payable CR 16,000 CR 16,000 CR 16,000 CR 									100		
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Accounts payable15,000Accounts Payable CR 16,000 CR 16,000 CR 16,000 CR 			1			0				alonce shuill and	
2- Distribute Gain or Loss to partures Capitals Independent of the set of										inderice Bir Win Elica	
2- Distribute Gain or Loss to partures Capitals Independent of the set of											-
and and a set of assets b b b b b c </th <th></th> <th></th> <th></th> <th></th> <th>Acco</th> <th>unts Payable</th> <th>Arnet Capital</th> <th></th> <th></th> <th></th> <th></th>					Acco	unts Payable	Arnet Capital				
Gain on sale of assets 15,000 Image: constraint of a state	2- Distribute Gain or Loss to part	ners Capitals			Dr	CR	Dr CR				
index index <t< th=""><th></th><th></th><th></th><th></th><th></th><th>16,000</th><th>15,000</th><th></th><th></th><th></th><th></th></t<>						16,000	15,000				
Image: constraint of the imag	Gain on sale of assets	15,000									
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$					0	0					
Image: Ample and and a set of their Capital Balances Image: Ample and a set of t											
3 Pay all liabilities: Image: second sec											
Modes payable 15,000 Image: space s			Eaton Capital	2500							
Notes payable15,000Image: space	3- Pay all liabilities:				Dr						
Accounts payable16,00016,000II <th></th> <th>45.000</th> <th></th> <th></th> <th>-</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>		45.000			-						
Image: condition of the										2	-
Image: state stat	Accounts payable	16,000		21 000	22,800	22,800 Bai	Eaton Capital				
A - Distribute Remaining Cash to Partners according to their Capital Balances I			cash	31,000					·		-
4- Distribute Remaining Cash to Partners according to their Capital Balances Image: Capital Capi					0	0					
Image: series of the series	4- Distribute Remaining Cach to	Partners acco	rding to their Capital Balances								
Arnet capital22,500Image: Constraint of the constraint of the capital capital capital22800Image: Constraint of the capital capita	4- Distribute Kemaning cash to	arthers acco	Tung to their capital balances		-				DAL	1,500	
carey capital 22800 Image: Carey capital Gain on Sale on Non cash assets Eaton capital 3,700 Image: Carey capital CR Image: Carey capital CR Image: Carey capital CR Image: Carey capital CR Image: Carey capital Image: Carey	Arnet capital	22,500								0 0	
Baton capital 3,700 Image: Capital capita					Gain on Sal	e on Non cash assets					
Image: Control of the system of the syste											
Image: second		3,	cash	49.000							
			cubri	,	15.000						
						0	-				
STUDENTS-HUB.com											
								6			

Defeciency because of: Balance in the Dr side of Partner's Capital ACCOUNT Deficiency: is the Dr Balance on a Capital Account Capital

	Net Book value (\$)	Fair market value Agreed upon value (\$)
Ahmed's contribution:	A RULES	
Cash	30,000	30,000
Land	50,000	80,000
Sami's contribution:	as a constant	
Cash	22,000	22,000
Equipment	32,000	30,000
Supplies	3.000	2,500
Barhoom's contribution:		
Cash	15,000	15,000
Truck	20,000	14,000
Accounts receivable	6,500	6,500
Allowance for doubtful accounts	600	900

Required: Prepare the journal entry for the formation of the partnership. You can prepare SEPATALE CONTRES of one entry.

Dr		
* Cash	67000	
land	80 000	\frown
Equipment	30 000	(PS: Total Dr = Total Cr)
Equipment Supplies Track	2500	
Track	14 000	
Account Rec	6 500	

	C C C
Allowance for D Accounts	900
Ahmads Capital	110 000
Samil's Capital	54 STO
Borhoms Capital	34 600

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Sat,16 NOV

متس ال Exile Ex + ط المنات .

For t	nent of Partne he year ended	ers' Capitals 31-12-2022			1
	Fahmi	Muneer	D. I	/	1
Beginning Capitals (1-1-2022)	A	B	Raed	/ Total	-
	60 000	30 000	30 000	120,000	
Add: Additional investment	25,000	D	0	(E)	+
Add (Deduct): Net income (Loss)	F	G	H	(30,000)	1
Deduct: Partners' drawings	0	<(24,000)	(12,000)	1	0
Ending Capitals (31-12-2022)	J	لم بقيمة روانبرم K	لي المراجع المراجع L	يون <i>→ 36000</i> 89,000	
Given information:	1100000000				1

2- Partnership agreement states that net income (loss) is divided as follows: partners are given a 5% interest on beginning capitals, salaries are allocated to Muneer and Raed only.

لنسة 120000 , 30000 = :1 4

2:1:1 30 000 X2 : 30000 : 30 000

1.5	and the second	The second		
begining Capital	FF	M.	R	7
	3000	1500	७७२)	(300,0E) (000)
		24800	60 05	(36000) (36000)
	(2400)	(24000)	(24800)	(7200) (7200)
STUDENTS-HUB.com	(2/000) E	ISDO	(10,50 bloaded B	DianaHajAli

chapter 13 aquiz In 18 Dec in ritaj Mon 18NOV • Corperation : Economic Entity Seperated From his owners. اللکته قد عن طوف الاسم. الکتان له موی الستین المانی Pays Income Jax pays Income tax expense. Corperation. Privel محموة بايد ملك محدب ما يت الحور يشح المهم المان الزرائع اعامة مدرجة في الوق الأمرم (بورمة) ملمة على مدوقة في الأسم (تنغلني لأبل الأسم والشرط) Sat.23 NOV . Characteristics of an Organization. Corporation 1) Separate legal existence. 2) Limited fiability of stockholders. 2) Limited fiability of stockholders. الفل اتام بين الماكيّ والمركة لفرك . نعل الملحية معل. / حق الملحية تستنل من ملات المح الله المراحية من الله المحينة المحلك من المحالي المحالي المحلك محلك المحلك المحل المحلك محلك محلك محلك المحلك المحل المحل المحل المحلك المحل المحلك المحل المحلك المحل ال De Professional management (aprate management) might be Adv or Disadvantage. المونية بين ناس يحتر وإذا بجمل محسبة بينعان المتر عليك عمر البلد مع المسلك (Tegulation (In any Economy corposition is Imp). . (فتل العمان مان مان علم ب مايه كان من المحرف) . Additional taxes (douple taxedion).

العدف من تأسيس norporadio مورشكان كيرة (Ruch Bus) مورشكان كيرة (Ruch Bus) و مركان كيرة (Ruch Bruch Josephine) و يونيواسم على الحقيين الحبار لحق يغزل منتصريع الانقار. و Ruch Ophical .

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. Corporation Org Chart. Authorized shares. Par Value (Share (10 000 000\$) (inter lung) (inter lung) (inter lung) - Charter of In Corporetion (regestrations (ertificate) شهارة التأسيس/ متهادة السبحيل بيكن فيل () اسم الديجة . Corporation II Juny 2 (3) المتى التانوذي لا corporation عدر الأسم رأس مال المتركة) Authoraized Share لولادة عدد الأسم بيتم نقدم حلب جديد (مترادة الناسب ما بتقويكان). . Par Value مستقر المتانونية السهم Sat,25NOV مؤسسين التركية . founders of the corporation: يسمع المتركة ما بدها تبيح السيم + يسمع المتركة تبيع المهم بتيسته أواكثون الحدالات المع الاجدار (عدام): Par Value / stalld Value) ويسبة لعمات سعراصدار السهم ا عدار للسبم 14 المريد هي تبيع المهم - 1534213 - عرة واحدة عندما نبيع المؤكة المهم لأول مق. وحنات متوت لا محالم المما , Sued shares عدرها أقل أو = الأسهم المص بع / / المسبع باصدارها. Issuance Price : مسح بنتج المهم Initial Public offering of shares ابتم لحج عدد محمد من الأسلم اللا كنتاب الأوك لبيح الأسهم المعامة سجم عدر , Stock holders المساهين (أصعب الأسم) General Assemble of the corporation الهيئة العامة المنوكة. وكالية من المساهم إيو مد عيمك وتحضر معلد بالإمضاع. · Proxy : . Authorized Shares : اللف مع عكف نبيع المهم في / المحمح مر / الموافق ملي STUDERATE UB.com Uploadege By DidhaddajAli

في نصاب محدد المرحق لحق الحون قانوف · الفانون بيومب على ال corporation اجفاع سنوي يعمر في الحدد مردي (معمن الحاد الترارات ما رتعا دلو) الأسوك على التوكية ، تشخص التركية ، أعلى صيحة في التركية : Bocurd of Directors ، في التركية : Bocurd of Directors · - سب القانون الفلسطيني لا يسنين هواكثر فترق متتالية عيمَن ان يصبح العدوم في معبس إدارة. Corporation J 21 9 تسجيل الأسهم وتسجيل ال Corporation
 2) اعداد الأسهم السبع.
 3) حيثة عامة المتركة. A) احتباع تأسبس السوكة Board of Directors just (5 Wed. 27 NOV 6) النحويت سنبي قوة التصوب مرتبطة جدد الماسيم مثلا عدد الأسيم الكب = 1000 وفي مدعند قد أسم برقية حرته = <u>3</u> ٣) في كظت افتاب معبس المكرد الق م المؤنسسين عل الم دعد. 8) لوغ تعويت في rockin corpor في BOD فعن عدد نعي وتم التحاط في القوسي من نشب ال BOD في التحت. 9) بتم توخليف الإدارة المحقف م أن في يوظنو Reserver (General Manager/CFO وعوبيونف دقده الدوائر وفية بوظنو الموتنين في الدواش General Assembly Meeting (and The Unit of the sent of the sent of the year · Extra Ordinary Meeting بهس ما يون في مر مغري . Uploaded By: DianaHajAli STUDENTS-HUB.com

When we refer to Corporation we refer to the BOD

. Out Standing Shares الأسهم التي تدخل في التداول. / أسهم متداولة. في القاوف في تسبق أتهم معدرة حق السركة تحن المعادنا . معتق الساطين (من احف كمنة أمم) ال أكر مام أسم) 1) Voting right 2) Participate in getting divendence if the Corporation decides to give divendence. Capital Gain = selling Price - Purchase Price. الحفاظ على سنبة الملكية . لذا جم يوني واس مال الصنامة مع المؤكمة معبورة إن المس المين توض عليم مثرك كمان أسم كق عافظوعات المنبة مالكيتهم 3) Preemptive right 4) Shares in asselfs upon liquidation. Residual Claim لجد ما التركة قنع منو عليها ديون بروع لي خل على المساهين (ط التركة تتحف)

, Stock Issue Considerations مثر إواق **علق الأسر**م . بطبت ملحية الأميم نشب بالمن**جا**وات حارف انتيا تانية تنب فين **ماتنية**

Stock Issue Considerations



.Issuance of stock

ايش الي بحدر مستر إصدار السهم (ماق آف تسام بتحدد متربيع السم

- 1. Company's anticipated future earnings.
- 2. Expected dividend rate per share.
- 3. Current financial position.
- 4. Current state of the economy.
- 5. Current state of the securities market.

Market Price of Stock

Market Price of Stock

- Stock of publicly held companies is traded on organized exchanges.
- Interaction between buyers and sellers determines the prices per share.
- Prices tend to follow the trend of a company's earnings and dividends.
 - Factors beyond a company's control, may cause day-to-day fluctuations in market prices.

. سع السرم في السوق بتأثر بالعض والطلب Supply من المعهما . . التركات الحي سع سرم كم بيرتنع م « محمق محدة » بتوزع أرباح » رحيق المركض السابقة والمستنبية لا يوديم بزيد الطب على أسهه. — Par value (stated value)
— No Par value بندوس منوع لازرابي في المل الم Stock In America

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ايش بيأنوم مح المهم الموق

آ. توبعات دعية السركة ف السؤان الما دمة.

3. ومنع التركية المالح (ندس سنحا Assels)

حركة البورهية (نشاط البورمة > وخع انتماني ميد).

ي تونيع المربع في المركة .

4. 10 الا فصار يجب التركة موجودة فب

.Corporate Capital Balance Sheef . Stock holders equity (Share holders) Equity section: Thaid in Capita (10) الملوس يفي سا حويني المساهين Par Value I epilar 1.2) Additional Paid in Capital > بابوللأمهم أعلى من ال عمال Par Value من ال * In excess on Par on Common stock * In excess on Par on Preferred slock 21 Helained Earnings: (الأربل المباقية) . من حون بتونع الأربل الأربل الماتية ولمشركة بعد توريح حص المساهين أرباح المشركة بدون مساحية المساهين Common stocks have more than one class. Total Stock holders equity = Paid in capiral + Retained earnings.

Mon 2 Dec

لا يجوز أبدأ للشركة تونع أرباح من المراجه in Capital من

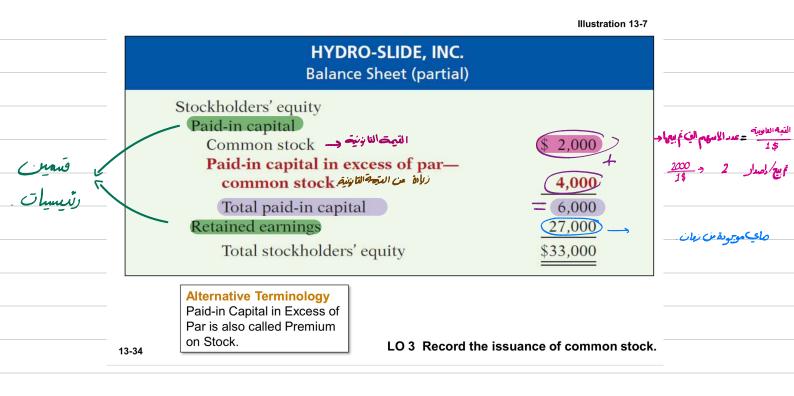
Deficit : negative -> (Loss)

P Common and Preferred Stocks have degrees and there's different Par Value for each different degree Stoce.

. الشركة إدا اصرت نوع واحد من الأسهم حق لو ما صرحت الي هو تلعا بيًّا بعتب Asock .



باعت أسم لأدل مرة Illustration: Assume that Hydro-Slide, Inc. issues 1,000 shares of \$1 par value common stock. Prepare Hydro-Slide's journal entry if الأسرم انباعت على ال المال Par Value (a) 1,000 share are issued for \$1 per share, and (b) 1,000 shares الاسم انباست أعلى من ال Par Value are issued for \$5 per share. بسعه مقابل کاش a. Cash 1,000 Common Stock (1,000 x \$1) 1,000 b. Cash 5.000 مفسومة الى جن في 5000 Common Stock (1,000 x \$1) 1,000 النمة التانونية () -4,000 Paid-in Capital in Excess of Par Value زبارة من القيمه التابونية (



Common stocks for services or non cash Assets. (Attorneyes, Consultants) Chand, Building, Equipments). S Transaction JI and use لى مى مى قيمة الدق الى تاي تاي , fair Market Value of the Consideration given up. Cost is either fair Market Value of the Consideration recived. مس قمة المن الى أمدة no Market Price for the Stock. if there is

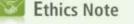
Illustration: Attorneys have They have billed the compan to accept 4,000 shares of \$1 their bill. At the time of the ex market price for the stock. transaction. Organizational Expense	مسب حاف المفاعدة بناحد فيمة المنفي يلي أتحذناه إتنا .			
Common Stock (4,000	Harket Value &		,000	
Paid-in Capital in Exce			,000	
13-36	LO 3 Record t	he issuance of c	common stock.	
Illustration: Athletic Researcorporation. Its \$5 par values share (this is the market personance) shares of stock to acquire late \$90,000. Prepare the journation Land (10,000 x \$8)	ie stock is act <u>rice)</u> . The com and recently ad	tively traded pany issues vertised for	<u>d at \$8 per</u> s 10,000 sale at	-> Harket =11 pnwll Price. Ve is Stock Markel Price
Common Stock (10,0	100 x \$5)	00,000	50,000	e is zouch my reg is ce
Paid-in Capital in Exc			30,000	
			30,000	

Accounting for Treasury Stock . الأسبم الناحة بالشركة والتي تعيد شرائع من سق المأسم دالبوصة). لُيسمع المسركة واعادة نثراء اتسهمها بعد ما تحق باعنهم بالسوق. (الشركة بتفدد تشتري اتسهمها وانسم غيرها). Treasury stocks are ISSUED Stocks but Not out Standing shares. (non autstanding). أسم الخزينة هي أسم مصدق للن غير متداولة ليس السركة لتجيد شراء السهم ا 1) لتوزيح مدافات على *المدلاط والمو*ظفين داخل التؤكية 2) عدان تزيد سعر سهمها في السوف (لأنك زادت ال demand عليه) . سعر السحام في السوف مرتبط بالم Supply & dummand) 3) تشتري Asset من شكة تانية مقابل المهم. 4) کی رونو Earning per share ratio (EPS) کی رونو Earning (EPS) سعر الشرکت بیرتینج ۲۵ EPS برتیع ۶۹ EPS = ret meome nu. of out standing share. 4 أطل حدر الأسهر في السق بيقل المقام فبتريد ديمية الشركية

Saf 7 Dec ما الشركة تسحب أسرم س السق الماسم نبضل مُحبدة بس بتبطل متداولة Balance Treasury Stock Cr Dr Contra Account الأسم الي الشكة بتصول و Błocks الأسم فلاجع فيشتر بإمن السوف Less Acquires : Purchace Dr Treasury Stock Cr Cash Disposal of Treasury Stock. طالبري تسترجع مهم وترجع تسبعه بعنها قريع منه الربع بيتسع Michin طا تبیج السرکی من الکسی المصدرین با لاصل المیون الکا مس Above Accounting for Treasury Stock Cost Low Cost as Loss, Dr. Illustration: On July 1, Mead sells for \$10 per share 1,000 shares of its treasury stock, previously acquired at \$8 per share. High Cost as Gain -> Cr July 1 Cash 10,000 Additional pind + CHIN Elis **Treasury Stock** 8,000 Addition Paid-in Capital Treasury Stock 2,000 e list Zero is Dr cis A corporation does not realize a gain or suffer a loss from stock transactions with its own stockholders. STUDENTS-HU Uploaded By: DianaHajAli B.com LO 4 Explain the accounting for treasury stock. 13-46

Accounting for Treasury Stock

	Cash 10 000 Treasury Slock 8000 Additioned Buil in Capital : T.S. 2000 MEAD, INC. Balance Sheet (partial)	Illustration 13-9 Stockholders' equity with treasury stock
2000 Addiirion Paid in	Stockholders' equity Paid-in capital Common stock, \$5 par value, 400,000 shares authorized, 100,000 shares issued, and 96,000 shares outstanding Retained earnings Total paid-in capital and retained earnings Less: Treasury stock (4,000 shares) Total stockholders' equity	\$500,000 200,000 - 700,000 7020 - 32,000 (2400 \$668,000 6780



The purchase of treasury stock reduces the cushion (cash available) for creditors and preferred stockholders. A restriction for the cost of treasury stock purchased is often required. The restriction is usually applied to retained earnings.

13-43

Both the number of shares issued (100,000), outstanding (96,000), and the number of shares held as treasury (4,000) are disclosed.

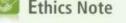
LO 4 Explain the accounting for treasury stock.

Idditional Paid in Capital T.S. 2600

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Accounting for Treasury Stock





The purchase of treasury stock reduces the cushion (cash available) for creditors and preferred stockholders. A restriction for the cost of treasury stock purchased is often required. The restriction is usually applied to retained earnings.

13-43

Both the number of shares issued (100,000), outstanding (96,000), and the number of shares held as treasury (4,000) are disclosed.

LO 4 Explain the accounting for treasury stock.

	Accounting for Treasury Stock	Below Cost
Balance Dr. River	Illustration: On Dec. 1, assume that Mead, Inc. remaining 2,200 shares at \$7 per share.	
Babance Dr Dr De Babance Dr Dr De Babance Dr	Dec. 1 Cash Paid-in Capital Treasury Stock 2200 Retained Earnings	Limited to balance on hand
800 2000 1200 1200	Treasury Stock	17,600
1900		

9,Dec . Preferred Stocks بيحصلو مقوتهم قبل أصطب ال C.S وما عندهم Voting right. **Illustration:** Stine Corporation issues 10,000 shares of \$10 par value preferred stock for \$12 cash per share. Journalize the issuance of the preferred stock. _ 10 000 X 12 Cash 120,000 Preferred Stock (10,000 x \$10) 100,000 Paid-in Capital in Excess of Par -تحاطناني العتبور إكمحاسبة نعس الهي Preferred Stock 20,000 Preferred St of Common Stock i Jow Dividend Preferences 1) Right to releave dividends before common stockholders. إذا الشركة قتررت تودع ربح ادياج سابقة غير مدنوسة. 2) Dividends in anneals by Commutative dividends only. في نوعين PS من لوالمشركة ما بدها توذع اثرباج بيطلط انعاج وحواله prefersed ما بيامند الرّبج وحوماني توزيج بس بيتموتسل الذبح لحدما النركة تقور تودع أدباح

Cumulative Dividend

en King. Illustration: Scientific Leasing has 5,000 shares of 7%, \$100 par value, cumulative preferred stock outstanding. Each \$100 share pays a \$7 dividend (.07 x \$100). The annual dividend is \$35,000 (5,000 x \$7 per share). If dividends are two years in arrears, preferred stockholders are entitled to receive the following dividends in the current year. Illustration 13-11

> Dividends in arrears 35 000\$ X Z Current-year dividends **Total preferred dividends**

70 00\$ 35 000\$

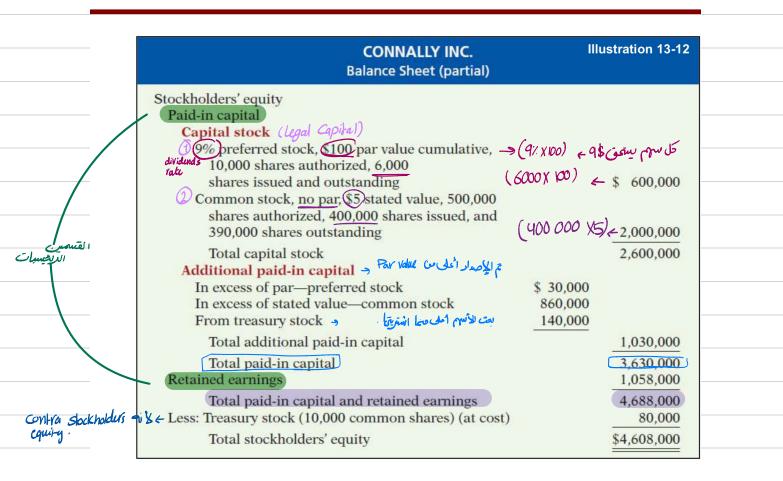
105 000 \$

ىسبى توزيع لأرباح

71. X Par = 10 7% × 100\$ = 7\$ نسبة الربح الى يستعها الس

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Statement Presentation



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Wed,11Dec

Chapter 14 . Dividencis: distributions of Cash / stock to stock holders on a pro rata (proporonal) Bias أرباح يورعها البرنس على تملية الأسهم الس سينارك في الحصول على الأرباح والا الأسرم المتاولة (out standing share) . 1) Cash Dividends Share Dividenels. 2) Stock Dividends 3) Property: Jas فبيونع على المساحين عقار أو أخ ما ف Cash وكاد Dividences المصدرة توابعت 4) SLrip (Promissory note) بيورعو كتبيالات على المساهين شريط توريع الأرباح فاجات م D أن لوت عناك أدياح متراقع (Retained larnings) تحق عناك أدياح متراقع (Retained larnings) ترزيح المرابع توزيح الجب الفي ويبر ع في مواضقة معبب الجرابي على توزيع الأدياح م إعلان / Declaration Cr Balance في Cash Div : وجود مبالع كاني إصابي من اله Cash في حماب الشركة وما بهون في نية لاستفادمه بمثاريج لقدام دا تما توريح الأنبل من العيمة Earning larning من الكريبل من العيمة المعاب المعاب المكريب المرباح المشركة الرحما الرحا Retained carnings will Decrease +: air Iline recined carnings will Decrease Retained carnings should have a Coeficcent Balance نود ريج ما بن سط الجون C + منا ال مجمعة فحميت الم ما توزع ربج؟ Uploaded By: DianaHajAli STUDENTS-HUB.com

كبي تتم عملة الرّب المنتدي ج There is 3 critical days: Declaration Date يع إلاسلاب م بيجميع مرملس الجداح وببتير بور أرباح Must record Journal Entry air Journal Entry على مين الموزع الأرباح ؟ على المسا حين , بس المساعس المبلا بيضلو بي ر يوم كمل حاف المسكنة وصو: يتم منية التواصل مع اللجل ألماني رطبع و معادي: Relord Day : 22 Dec معلومات مساهين الله ي الله ي Dosn't has a Journal Entry. لوبعت أسهم به 12 التهريط المهر سالهعل وما بابد أرباح 3 Payment اليق الم السركة رح تدنع مع المساهين Must record Journal Entry Dr liability ب سدد المالق مات با عليا .) Cr Cash Ex: Dividends Illustration: On Dec. 1, the directors of Media General declare a 50¢ per share cash dividend on 100,000 shares of \$10 par value common stock. The dividend is payable on Jan. 20 to shareholders of record on Dec. 22. مياب ويسط December 1 (Declaration Date) - Temprovary Account **Cash Dividends** 50,000 Retained Earings i er **Dividends** Payable 50,000 Dr Retained December 22 (Date of Record) No entry cr Gsh Div January 20 (Payment Date) Dividends Payable 50,000 Cash 50,000 Stop sharing birzeit.edu is sharing your screen. STUDENTS-HUB. Con Prepare the entries for cash dividends and stock dividends Diaded By: DianaHajAli

· Allocating Cash Dividends between Preferred and Common Stock Preferred -بياحد وأدباح مبل ال Common ارباح بند وش ، ادباج تواحمة ومعنوطة . درباج الم 2. Non Commutative Preferred _ _ _ المالة متط عند التوزيج _ _

Dividends

Illustration: At December 31, 2015, IBR declares a \$50,000 cash dividend. Show the allocation of dividends to each class of stock.

	2014	2015	
Dividends declared	\$ 6,000	\$ 50,000	
Dividends in arrears		2,000	**
Allocation to preferred	 6,000	8,000	*
Remainder to common	\$ -	\$ 40,000	
		. ,	

- * 1,000 shares x \$100 par x 8% = \$8,000
- ** 2014 Pfd. dividends \$8,000 declared \$6,000 = \$2,000

Dividends

Illustration: At December 31, 2015, IBR declares a \$50,000 cash dividend. **Prepare the entry to record the declaration of the dividend**.

Cash Dividends	50,000	
Dividends Payable	50,000)
		Deleted
		StOCK Dividend's Slides 13-20

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بتت م الاشهم عنان تتبع المتركة المناس الي من قادة نشون الله من المن التريشين من التربي اللهم تعني أن المتركة لديها الحق بأن تعقم بتقسيم ألسهمها حسب ال obshi has Journal Entry. Rabo - 2:1,2 . المحي بد حايا ه , 2:1,2 . هما المحمد الم يترتب عليه @ حترب عدد آلأملم بعتمة ال م Raho (1,2,3,4). (1,2,3, y) Raho in in in the Stock Par Value (U, ..., 2) () Stock Par Value -> (+y) () NU. of Stocks -> (x y) Total legal Capital = Par value × nu. of stock = Par value X (y) XNU. OF Stock - Total legal Capital Remain the Same. Total legal Capital Remain the Same -> Total Stock holders equily Remain the Same Reasons for Stocks Split: العنوان معطوط Dividends س صك Stock split **Stock Splits** ماله علامة Issuance of additional shares to stockholders according to بوزيع الأرباح their percentage ownership. Reduces the market value of shares. No entry recorded for a stock split. Decrease par value and increase number of shares. STUDENTS-HUB.com Uploaded By: DianaHajAli

· Refained Earnings Statement. - Normal Balance Cr

* ساب بتتجع فيه ارباح السكة . * بيغل عن حليق سائل السكة * بيغل عن طريق دفع داه معاه الان

· Net Income Increase R.E . Net loss Decrease RE

Debit Balance of Retained Earnings Calls Deficit.

DLegal Restrictions

كالية المساحين والدائنين

2 Contractual Restrictions

بسب عقود (سروط)

قيد طوع الشركة بقط عالها (طوم اختياري). Voluntary Restrictions (

Retained Earnings Statement

Woods, I Statement of Retai	ned Earnings	
For the Year Ended De	ecember 31, 2014	
Balance, January 1	\$	1,050,000
Net income		360,000
Dividends		(300,000)
Balance, December 31	\$	1,110,000

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•	Correction of an er statements.	حطاً حصل في السولت ments تق ror in previously issued financial	
٠	Result from:		
	 mathematical m 	nistakes.	
	 mistakes in app 	lication of accounting principles.	
	 oversight or mis 	suse of facts.	
•	Adjustment made to earnings.	the beginning balance of retained	
Ŕ	لمطعندیے کان نقصات أوزلاط Analysis	al cur de Frétained Forning Statement c	مستريح بسيم في
	Return on	Net Income Available to Common Stockholders	التياني
	Common _		-
	Common = Stockholders' Equity	Average Common Stockholders' Equity	
	Stockholders' Equity Ratio shows how man	Average Common	

Income Statement Analysis Net Income minus **Preferred Dividends Earnings** بسالتائون **Per Share** Weighted-Average Common Shares Outstanding Ratio indicates the net income **Ethics Note** earned by each share of In order to meet market expectations for EPS, some managers engage in elaborate treasury outstanding common stock. stock transactions. These transactions can be very costly for the remaining shareholders. لتذكر دايما إنو الشكات بتدخع ضيية دخل Chapter 15+17 Deleted

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