E16-3 ⊢ equipment B-V = 40,000

	Bracken	Iocken	Mensa
loss Ratios	40%	30%	30%
Preliquidation Balance	25,000	5000	10,000
[a] sold for 30,000 → loss 10,000	(4,000)	(3000)	(3,000)
Capital Balance After selling	21,000	2000	7,000
final Distribution Cash	(21,000)	(2000)	(7,000)
Post liquidation	Ø	Ø	Ø
[B] ~~sold for~~	25,000	5,000	10,000
sold for 21,000 loss 19,000	(7,600)	(5,700)	(5,700)
Capital Balance	17,400	(700)	4,300
40/70 x 700	(400)	700	(300)
30/70 x 300			
Balances After solve the Def	17,000	0	4000
Final Distribution Cash	(17,000)	0	(4000)
[C] Pre liquidation Balances	25,000	5000	10,000
sold eq for 7000 → loss 33k	(13,200)	(9,900)	(9,900)
Balances	11,800	(4,900)	100
solve the Deficit			
40/70 x 4900	(2,800)	4,900	(2100)
30/70 x 4900			
Balances	9000	Ø	(2000)
	(2000)	Ø	2000
		Ø	Ø
Balances	7000	Ø	Ø
f. Cash Distribution	(7000)		
Postliquidation	Ø	Ø	Ø

E16-4 lump-sum liquidation

Matt	80,000	0.50
Mit	36,000	0.30
Mich	14,000	0.20

Matt	Mit	Mich
80,000	36,000	14,000
	10,000	
80,000	46,000	14,000

BG Company
statement of liquidation
lump sum liquidation

	Cash	+ non cash	= liability	+ Matt (50%)	+ Mit (30%)	+ Mich (20%)
Preliquidation	20,000	150,000	30,000	80,000	46000	14,000
sale of Assets	110,000	(150,000)	—	(20,000)	(12,000)	(8000)
Balance After S	130,000	Ø	30,000	60,000	34,000	6000
payment to Creditor	(30,000)	—	(30,000)	—	—	—
Balances	100,000	Ø	Ø	60,000	34,000	6000
payment for partners	(100000)	—	—	(60,000)	(34,000)	(6000)
Post liquidation	Ø	Ø	Ø	Ø	Ø	Ø

entry Dr Mit loan 10,000
Cr Mit Capital 10,000

entry Dr Cash 110,000
Dr Matt 20,000
Dr Mit 12,000
Dr Mich 8000
Cr Assets 150,000

entry Dr liability 30,000
Cr Cash 30,000

entry Dr Matt 60,000
Dr Mit 34,000
Dr Mich 6,000
Cr Cash 100,000

E16-4 safe payment schedule إعطياته على الكتاب

	30%	50%	20%
	Terry	Phyllis	Connie
	12,000	36,000	54,000
	(9,000)	—	15,000
Total	3000	36,000	69,000
write of 28,000 G.W	(8,400)	(14,000)	(5,600)
write of 12,000 Receiv	(3,600)	(6000)	(2,400)
4000 loss of sold inv	(1,200)	(2000)	(800)
Total Balance	(10,200)	14,000	60,200
loss of 10,000 Remaining Receivable + 9,000 Rec from Terry + 24,000 inv	(12,900)	(21,500)	(8,600)
liquidation Cost 6000	(1,800)	(3000)	(1,200)
Total Balance	(24,900)	(10,500)	50,400
	24,900	10,500	(35,400)
safe payment to partner	0	0	15,000

E16-6 scheduel of safe payments to partners

	Cash	+ inventory	= Ac payable	+ Maness 80%	+ Joiner 20%
Preliquidation	25,000	120,000	15,000	65,000	65,000
sold ½ inven with loss 20,000 →	40,000	(60,000)		(16,000)	(4,000)
	(10,000)		(10,000)		
	55,000	60,000	5,000	49,000	61,000
Payment According sch 1	(50,000)			(1000)	(49,000)
Balances	5000	60,000	5000	48000	12,000
sold inventory with loss 30,000	30,000	(60000)		(24,000)	(6000)
	(5000)		(5000)		
	30,000	Ø	Ø	24,000	6,000
payment to partners	(30,000)	—	—	(24,000)	(6000)
Post liquidation	Ø	Ø		Ø	Ø

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scheduel of safe payment [1]

	Maness	Joiner
Total Balance	49,000	61,000
Pul loss of R-inventory	(48,00)	(12,000)
	80%	20%
Total	1000	49,000

E16-7 Profit and loss sharing Ratios

Nelson 'C 15,000
Osman 'C 75,000
Peters 'C 75,000
Quincy 'C 30,000

Cash = 17,000 Account payable
nonCash = 190,000 = 12,000

Total = 207,000

↳ non Cash Assets sold for = $100,000

Nelson & Quincy → personally insolvent
Osman & Peter → personally solvent

(a) Profit / loss Ratios 3:3:2:2

	Cash	+ nonC	= liability	+	N (30%)	+ O (30%)	+ P (20%)	+ Q (20%)
Preliquidation	17,000	190,000	12,000		15,000	75,000	75,000	30,000
90,000 loss of sold	100,000	(190,000)			(27,000)	(27,000)	(18,000)	(18,000)
Balances	117,000	Ø	12,000		(12,000)	48,000	57,000	12,000
solve the deficit of N					12,000			
30/70 x 12,000						(5,143)		
20/70 x 12000							(3,429)	
20/70 x 12000								(3,428)
Balance	117,000	Ø	12,000	Ø	42,857	53,572	8,571	
payment the liability	(12,000)		(12,000)					
Balance	105,000	Ø	Ø	Ø	42,857	53,572	8,571	
Distribution Cash	(105,000)	Ø	Ø	Ø	(42,857)	(53,572)	(8,571)	
Postliquidation	Ø	Ø	Ø	Ø	Ø	Ø	Ø	

باقي الافرع نفس الفكرة

E16-9

	Cash +	Adams loan +	non C =	liab +	Adam 20% +	Peters 30% +	Blake 50%
Preliquidation	40,000	10,000	200,000	50,000	55,000	75,000	70,000
sole the Adam loan		(10,000)			(10,000)		
sold for 65,000	65,000		85,000		(4,000)	(6000)	(10,000)
payment 21 to Cred.	(21,000)			(21,000)			
Balance	84,000	Ø	115,000	29,000	41,000	69,000	60,000
payment to P-schedul	(55,000)				(18,000)	(34,500)	(2,500)
Balance	29,000	Ø	115,000	29,000	23,000	34,500	57,500
sold for 79,000	79,000		(115,000)		(7,200)	(10,800)	(18,000)
pymt rem. Cred.	(29,000)			(29,000)			
Balance	79,000	Ø	Ø	Ø	15,800	23700	39,500
payment to P.	(79,000)	-	-	-	(15,800)	(23,700)	(39,500)
Post liquidation	Ø	Ø	Ø	Ø	Ø	Ø	Ø

safe payment schedule

	20% Adam	30% Peters	50% Blake
Balance Capital	41,000	69,000	60,000
Assume RN loss of 115,000 →	(23,000)	(34,500)	(57,500)
safe payment to partners	18,000	34,500	2,500

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E16-10* inCorporation of a partnership

- Revaluation down for [1] inventory [2] Account Recivable [3] Equipment

entry → Dr Alice 'C 11,200 x 0.60 6,720
Dr Betty 'C 11,200 x 0.40 4,480
Cr Account Recivable 800
Cr inventory 3,200
Cr Equipment 7,200

Alice	
	62,400
6720	
	55,680

Betty	
	34,000
4,480	
	29,520

7,100 C.S
x 10 per ~~[illegible]~~s
71,000

entry → Dr investement in A/B Corporation 85,200
Dr Account payable 17,200
Cr Account Recivable 21,600
Cr Cash 8000
Cr inventory 32,800
Cr equipment 40,000

entry Dr Alice 'Capital 55,680
Dr Betty Capital 29,520
Cr investment in A/B Corporation 85,200

entry of A, B Corporation

Dr Cash	8000	
Dr Account Receivable	21,600	
Dr inventory	32,800	
Dr Equipment	40,000	
Cr Account payable		17,200
Cr Common stock		71,000
Cr Additional paid in Capital		14,200

85,200
- (71,000)
14,200

Alice = $\frac{55,680}{85,200} \times 7100$

= 4,640 Common stock

Betty = $\frac{29,520}{85,200} \times 7,100$

= 2,460 common stock

P16-14 Instalment liquidation

	Cash +	nonCash =	Acc payable +	Art 50% +	Bru 30% +	Chou 20%
Pre liquidation	18,000	307,000	53,000	88,000	110,000	74,000
① 51,000 from all Recs	51,000	(66,000)		(7,500)	(4,500)	(3000)
② 38,000 from all inv.	38,000	(52,000)		(7000)	(4,200)	(2,800)
③ 2000 liq exp	(2000)			(1000)	(600)	(400)
④ 50,000 paid	(50,000)		(50000)			
⑤ offset (3000)			(3000)	1,500	900	600
Balances	55,000	189,000	∅	74,000	101,600	68,400
Safe payment	(45,000)			–	(26,600)	(18,400)
Balance	10,000	189,000	∅	74,000	75,000	50,000
⑥ paid 4000 exp	(4000)			(2000)	(1200)	(800)
Balances	6000	189,000	∅	72,000	73,800	49,200
safe payment	∅	–	∅	∅	∅	∅
Balance	6000	189,000	∅	72,000	73,800	49,200
⑦ 146,000 of All nonC	146,000	(189,000)	–	(21,500)	(12,900)	(8,600)
⑧ paid 5000 liq	(5000)			(2,500)	(1,500)	(1000)
Balances	147,000	∅		48000	59,400	39,600
Payment to partn.	(147,000)	–		(48000)	(59,400)	(39,600)
post liquidation	∅	∅	∅	∅	∅	∅

safe payment schedule

	Art 50%	Bru 30%	Chou 20%
(1) January 2011			
Capital Balances	7400	101,600	68,400
possible loss (189,000 + 10,000)	(99,500)	(59,700)	(39,800)
Balances	(25,500)	41,900	28,600
Solve the Dif	25,500		
3/5 × 25,500		(15,300)	
2/5 × 25,500			(10,200)
safe payment	Ø	26,600	18,400
(2) February 2011	72,000	73,800	49,200
Possible loss (189,000 + 6000)	(97,500)	(58,500)	(39,000)
Balances	(25,500)	15,300	10,200
Solve the Dif	25,000	(15,300)	(10,200)
safe payment	Ø	Ø	Ø