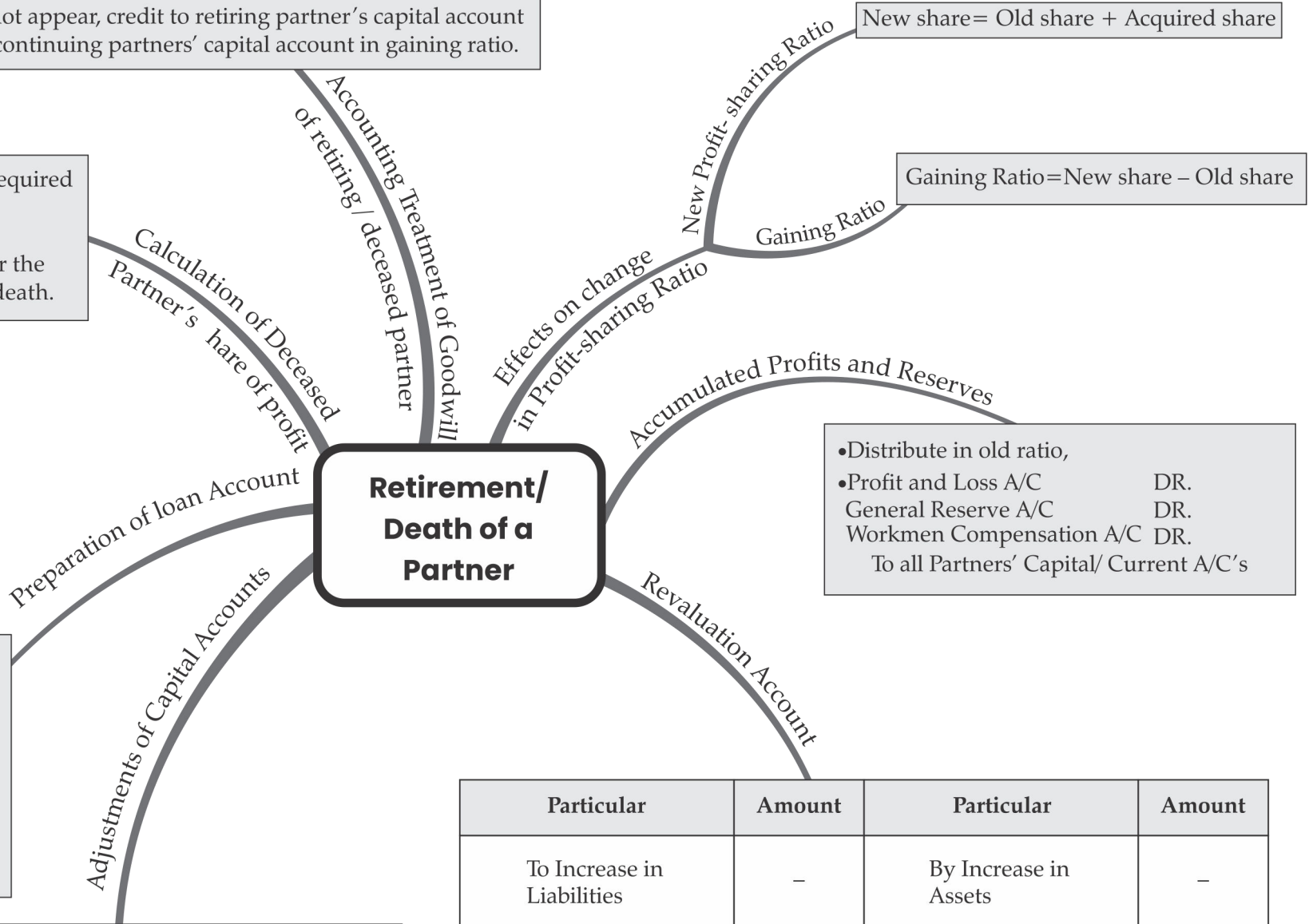


- When appears in books, distribute in old ratio.
- When does not appear, credit to retiring partner's capital account and debit to continuing partners' capital account in gaining ratio.

- Take total profits of the required number of past years,
- Calculate average profit,
- Reduce average profit for the period up to the date of death.

- Consider opening Balance of Capital,
- Share in revaluations Account,
- Share of reserves,
- Share of goodwill of firm,
- Share of profit till the date of retirement.

- If capital of remaining partner falls short, he brings in cash.
- If capital of remaining partner has a surplus, he withdraws cash.
- Surplus or deficit in Capital Account is transferred or adjusted by transfer to Current Account.



Particular	Amount	Particular	Amount
To Increase in Liabilities	-	By Increase in Assets	-
To Decrease in Assets	-	By Decrease in Liabilities	-
To Partners' Capital A/c	-	By Partners' Capital A/c	-