

Capital Accounts

- **Capital**
 - **Partners Current Account**
 - **Retained Earnings**
 - **Legal Reserves**
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Journal (Profit Distribution)		
Retained Earnings	Dr	45000
Partners Current Account	Cr	45000

Case 1:

Journal(Withdrawal of Cash from Profit)		
Bank A/c	Cr	45000
Partners Current Account	Dr	45000

Case 2:

Journal (Reinvestment)		
Capital	Cr	45000
Partners Current Account	Dr	45000