Emily and Richard decide to form a partnership along with Leeds Holding Company to purchase an office building. They give you the following facts:

* Leeds invested $45,000 and is a limited partner. Leeds receives interest at 6% on its investment.
* Emily provides $35,000 in computer equipment as a limited partner.
* Richard provides $10,000 as the general partner and receives a salary of $15,000 per year.
* Profits during the year are $60,000 after all expenses.
* At the end of the year, Emily retires from the partnership. The partnership pays her $50,000. Profit allocation is 40% for Leeds, 30% for Emily, and 30% for Richard.
* After Emily retires, the partnership admits Frank who invests $50,000 and will receive 30% of the partnership’s gains and losses.
* Make the journal entries to record the initial investment.
* Using a worksheet, allocate profits at the year-end.
* Make the journal entries to record Emily’s retirement pay.
* Using a worksheet, calculate the partners’ balances after Emily’s retirement and make the necessary journal entries for the partnership books.
* Using a worksheet, calculate the partners’ balances once Frank is admitted and make the journal entries to update the books.
* Show the journal entries for the revaluation method, goodwill method, and bonus method.