

The firm was dissolved on the above date. The assets were realized by following installments;

1st Installment	Rs. 70000
2nd Installment	Rs. 105000
3rd Installment	Rs. 63000

Shows the distribution of cash among the partners by Surplus Capital Method.

OR

- Q.4 A, B and C are partners sharing profits and losses in the ratio of $\frac{1}{2}$, $\frac{1}{4}$ and $\frac{1}{4}$ respectively. They dissolve the partnership on 31st March 2017 when the Balance Sheet stood as under. (15)

Liabilities	Rs.	Assets	Rs.
Sundry creditors	25000	Sundry assets	53000
<u>Capital Accounts:</u>			
A 10000			
B 10000			
C <u>8000</u>	28000		
	53000		53000

Assets realized Rs. 45000 and amount was received in three installments as under:

On April 2017	Rs. 25000
On May 2017	Rs. 16000
On June 2017	Rs. 4000

Show the distribution of Cash among the partners by Maximum Loss Method.