

- (5) Rs. 1,00,000 paid to creditors as final settlement.
 (6) Aman agreed to pay bank loan.
 (7) Dissolution expense was of Rs. 12,000.
 Chaman was declare insolvent. Received Rs. 2,000 from his private assets.
 Prepare (1) Realisation account, (2) Partners' capitals accounts and (3) Cash account.

OR

Que. 3: Shah, Patel and Solanki are partners sharing profit and loss equally. Their balance sheet as on 31-3-2018 is as under. (15)

Liabilities		Rs.	Assets		Rs.
Capital:			Land		15,000
Shah	40,500		Building		12,000
Patel	2,500		Machinery		18,000
Solanki	<u>2,000</u>	45,000	Stock		10,000
General reserve		4,500	Debtors		5,000
Creditors		12,000	Cash		1,500
		<u>61,500</u>			<u>61,500</u>

On the above date they decided to dissolve firm.

(1) Assets realized as under:

Land	Rs. 12,500
Building	Rs. 9,500
Machinery	Rs. 14,000
Stock	Rs. 8,000
Debtors	Rs. 4,000

(2) Paid to creditors at 5% discount.

(3) An unrecorded liability of Rs. 600 was paid.

(4) Dissolution expense was of Rs. 1,500.

Patel and Solanki were declare insolvent, received 60% and 40% amount from their private assets respectively.

Prepare necessary accounts at the time of dissolution.

Que. 4: Sagar and Sarita are partners sharing profit and loss in the ratio of 2 : 3. Their balance sheet as on 31-3-2018 was as under. (15)

Liabilities		Rs.	Assets		Rs.
Capital:			Goodwill		12,500
Sagar	40,000		Building		60,000
Sarita	<u>50,000</u>	90,000	Machinery		11,500
General reserve		5,000	Investment		7,500
12% Akash's loan		25,000	Debtors		35,000
Creditors		30,000	Stock		17,500
		<u>1,50,000</u>	Cash-bank		6,000
					<u>1,50,000</u>

On 1-4-2018 firm was converted in to Sangam Ltd. Conditions and other information are as follows.

(P.T.O.)

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