

- Q.2** Sanvi, Janvi and Tanvi were partners sharing profits in the ratio 3:3:2 (12) respectively. On 1st April, 2016 their firm was dissolved. Their Balance Sheet as on that date was as follows.

Balance Sheet as on 1st April, 2016

Liabilities	Rs.	Assets	Rs.
Capital Accounts:		Land	2,00,000
Sanvi	2,40,000	Building	2,00,000
Janvi	1,50,000	Machinery	1,20,000
Tanvi	90,000	Stock	1,50,000
		Debtors	50,000
Sundry Creditors	2,00,000		
Bank Overdraft	40,000		
	7,20,000		7,20,000

The assets were realized gradually as follows:

Sr. No.	Date	Amount Realized
1	15 th April, 2016	1,00,000
2	20 th May, 2016	2,00,000
3	20 th June, 2016	96,000
4	30 th July, 2016	1,12,000
5	5 th August, 2016	1,00,000

You are required to prepare:

- i) Statement of surplus capital.
- ii) Statement showing distribution of cash.

- Q.3** The following is the Balance Sheet of M/s. Pratik and Pradeep as on (12) 31st March, 2017.

Balance Sheet as on 31st March, 2017

Liabilities	Rs.	Assets	Rs.
Sundry Creditors	60,000	Cash at Bank	10,000
Mrs. Pratik Loan	40,000	Stock in Trade	40,000
Bills Payable	16,000	Sundry Debtors	48,000
Reserve Fund	20,000	Furniture	10,000
Capital A/c		Plant and Machinery	60,000
Pratik	30,000	Investment	32,000
Pradeep	44,000	Profit and Loss A/c	10,000
	2,10,000		2,10,000

The firm was dissolved on 31st March, 2016 and the following was the result.

- 1) The asses were realized as under
 - a) Stock Rs. 40,000
 - b) Plant & Machinery Rs. 45,000
 - c) Furniture Rs. 10,000
 - d) Debtors Rs. 41,000
- 2) Pratik took over investment at an agreed value of Rs. 25,000 and agreed to pay off loan of Mrs. Pratik.
- 3) The expenses of dissolution amounted to Rs. 2500.
- 4) Creditors were paid @ 2% discount and bills payables were paid in full.

You are required to prepare:

- i) Realization Account
- ii) Partners' Capital Account
- iii) Bank Account.

- Q.4** Umesh and Ramesh were in partnership firm sharing profits and losses in the ratio of 2:1 respectively. Their Balance Sheet on 31st March, 2017 was as follows: **(12)**

Balance Sheet as on 31st March, 2017

Liabilities	Rs.	Assets	Rs.
Capital Accounts:		Plant and Machinery	40,000
Umesh	60,000	Bills Receivable	10,000
Ramesh	40,000	Stock	87,400
Reserve Fund	12,000	S. Debtors 1,20,000	
		Less R.D.D - 6000	1,14,000
Mrs. Umesh Loan	40,000	Cash in Hand	600
Sundry Creditors	80,000		
Bills Payable	20,000		
	2,52,000		2,52,000

On 31st March, 2017 the partnership was to be converted into a limited company namely UR Limited on the following terms and conditions.

- i) UR Limited to take over assets at valuation as shown below:

Plant and Machinery	Rs. 32,000
Stock	Rs. 78,000
Bills Receivable	Rs. 10,000
Sundry Debtors	Rs. 93,400
 - ii) The goodwill was valued at Rs. 21,000.
 - iii) The UR Limited was agreed to pay Creditors at Rs. 78,000.
 - iv) The expenses of realisation amounted to Rs. 600 to be paid by the firm.
 - v) The Bills Payable and Mrs. Umesh Loan are paid in full by Umesh.
 - vi) UR Limited paid 7,200 equity shares of Rs. 10 each and balance in cash as purchase consideration.
- Prepare necessary ledgers accounts in the books of the firm.

- Q.5** Write short notes on any **THREE** of the following: **(12)**

- a) Methods of Purchase Consideration
- b) Financial Accounting
- c) Accounting Standard –1
- d) Dissolution of Partnership Firm
- e) Maximum Loss Method.

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