**Assignment Class 12 Accounts**

**Time Allowed: 1 hour. Maximum Marks:15**

**Que. 1 Michael, Jackson and john are in partnership sharing profits and losses in the propotions of ½, 1/3 and 1/6 respectively. On 31st March 2022 they decide to dissolve the partnership and the position of the firm on this date is presented by the Following balance sheet.**

**Liabilities Amount Assets Amount**

**Capital-Michael 60,000 Stock 50,000**

**Jackson 40,000 Land and Building 57,000**

**John 10,000 Advertisement exp 6,000**

**Loan by Michael 21,000 Debtors 50,000**

**Creditors 40,000 Profit and loss 15,000**

**WCR 21,000 Cash at Bank 3,000**

**During the realization process, a liablility under a suit for damages settled at rs. 20,000 as against rs 5000 provided for in the books of the firm.**

**Land and building sold for rs. 40,000 and the stock and sundry debtors realized rs. 30,000 and 42,000 respectively. The expenses of realization amounted to rs. 1200/-**

**There was a car in the firm, which was completely written off from the books . It was taken by Michael for rs. 20,000, He also agreed to pay outstanding salary of rs. 20000 not provided in the books.**

**Prepare realization account, partners capital a/c and Bank a/c.**

**Q-2 Aman and Harsh are partners in a firm. They decided to dissolve their firm . Pass necessary journal entries in the following cases on the dissolution of a firm after assets and outside liabilities are transferred to realization a/c.**

**(1) The furniture of rs. 50,000. Aman took over 50% of the furniture at 10% discount and the remaining furniture was sold at 30% profit on book value.**

**(2) Harsh loan of rs. 6000 was settled by paying rs. 5500.**

**(3) The firm paid realization expenses of rs. 5000 on behalf of Harsh, a partner**

**(4) There was a bill of rs. 1200 under discount. The bill was received from Sohan who became insolvent and a first and final dividend of 25% was received from his estate.**

**(5) Creditors to whom the firm owed rs. 6000 accepted stock of rs. 5000 at a discount of 5% and the balance in cash.**

**Q-3 Priya, komal and rakhi were in partnership sharing profit and losses in the ratio of 2:1:1. They decided to dissolve partnership. On that date Sundry assets (including cash rs. 5000) amounted to rs. 88,000, assets realized rs. 80,000(including an unrecorded asset which realized rs. 4000). A contigent liability on accounts of bills discounted rs. 8000 was paid by the firm.The capital account of Priya , Komal and Rakhi showed a credit balance of 20,000 each. Prepare realization, partners capital and cash a/c. Prepare realization account.**