



# INDIAN SCHOOL DARSAIT DEPARTMENT OF COMMERCE



Subject : Accountancy	Topic : Dissolution of Partnership Firm	Date of Issue: __/__/2019 Worksheet No.12
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Name of the Student : _____	Class & Division : XII _____	Roll Number : ____

Q.1. The following is the Balance sheet of X and Y on 30<sup>th</sup> June 2016.

Liabilities	Rs	Assets	Rs
Creditors	40,000	Goodwill	10,000
General Reserve	2,000	Buildings	25,000
Bank Overdraft	8,000	Plant	25,000
Outstanding Expense	2,000	Investments	15,300
X's Brothers loan	20,000	Stock	8,700
Employees Provident fund	10,000	Debtors 17,000 Less provision 2,000	15,000
Invest. Fluctuation Fund	2,800	Bills Receivable	10,000
Y's Loan	1,200	Cash at Bank	13,000
Capital: X	20,000	Profit and Loss account	4,000
Capital :Y	20,000		
	1,26,000		1,26,000

The firm was dissolved on 30<sup>th</sup> June 2016 and the following arrangement was decided upon:

(a) X agreed to pay off his Brother's loan. (b) Debtors of Rs.5,000 proved bad. (c) Other assets realized as follows: Plant 20% less, Building 100% more, Goodwill 60% (d) Sundry creditors were settled at 5% discount. (e) Y accepted stock at Rs.8,000 and all investments at Rs.12,000 and X took over Bills Receivable at 20% discount. (f) Realization Expenses amounted to Rs.2,000. Prepare necessary ledger accounts.

Q.2. The following is the Balance Sheet of A and B as on 31<sup>st</sup> December, 2016:

Liabilities	Amount	Assets	Amount
	Rs.		Rs.
Sundry Creditors	30,000	Cash in Hand	8,500
Bills Payable	8,000	Stock in Trade	5,000
Mrs . A's Loan	5,000	Investments	10,000
Mrs. B's Loan	10,000	Debtors 20,000	
General Reserve	10,000	Less: Provision 2,000	18,000
Investment Fluctuation Fund	1,000	Plant	20,000
A's Capital	10,000	Building	15,000
B's Capital	10,000	Goodwill	4,000
		Profit & Loss A/c	3,500
	84,000		84,000

The firm was dissolved on 31<sup>st</sup> December, 2016 on the following terms:

(a) A promised to pay Mrs. A's loan and took away stock in –trade at Rs. 4,000.  
 (b) B took away half of the investments at 10% discount.  
 (c) Debtors realized Rs. 19,000.  
 (d) Creditors and bills payable were due on an average basis of one month after 31<sup>st</sup> December, but they were paid immediately on 31<sup>st</sup> December at 6% discount, p.a.  
 (e) Plant realized Rs. 25,000, building Rs. 40, 000, goodwill Rs. 6,000 and remaining investments at Rs. 4,500.  
 (f) There was an old typewriter in the firm which had been written off completely from the books, it was estimated to realize Rs. 300, it was taken away by B at this estimated price.  
 You are required to prepare the (a) realization A/c (b) partners' capital A/cs and (c) cash A/c to close books of the firm.

Q.3. The following is the Balance sheet of X and Y on 31<sup>st</sup> Dec. 2016.

Liabilities	Rs	Assets	Rs
Creditors	76,000	Cash and Bank balance	17,000



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Mrs X's Loan	10,000	Stock	10,000
Mrs Y's Loan	20,000	Investments	20,000
Investment Fluctuation Fund	2,000	Debtors 40,000 Less Provision 4,000	36,000
General Reserve	20,000	Fixed Assets	78,000
Capital: X	20,000	Profit and Loss account	7,000
Capital :Y	20,000		
	1,68,000		1,68,000

The firm was dissolved on 31<sup>st</sup> December 2016 and following was found:

- X promised to pay off Mrs. X's loan and took away the stock at 10% discount.
- Y took away half the investments at 10% discount.
- Debtors falling due on 1<sup>st</sup> Nov 2017 were realized at a discount of 6% p.a.
- Creditors falling due on 31<sup>st</sup> January, 2017 were paid at @ 6% discount p.a.
- Fixed assets realized at Rs.71,000 and remaining investments realized at Rs.4,500.
- There was old furniture which has been written off completely from the books. Y agreed to take away the same at the price of Rs.300. (g) Realization expenses were Rs.1,000. Prepare necessary ledger A/cs.

Q.4 Following was the Balance Sheet of D,G and T on 28.2.20X6:

Liabilities	Rs	Assets	Rs
Creditors	50,000	Bank	20,000
Bills Payable	10,000	Debtors	30,000
G's Loan	8,000	Stock	20,000
R's Loan	12,000	Furniture	15,000
General Reserve	20,000	Land and Building	2,45,000
Capitals :		G's Capital	20,000
D 1,00,000			
T 1,50,000	2,50,000		
	<u>3,50,000</u>		<u>3,50,000</u>

The firm was dissolved on the above date on the following terms:

- Debtors realized Rs 28,000 ; and creditors and bills payable were paid at a discount of 10%.
- Stock was taken over by T for Rs 15,000 and furniture was sold to N for Rs 12,000.
- Land and building was sold for Rs.2,80,000.

R's loan was paid by cheque.

The firm had an unrecorded Motor Vehicle of Rs.5,00,000 and it is sold for Rs.1,00,000. Prepare necessary ledger account for closing the account.

Q.5. A,B and C are three partners sharing profits in the ratio of 3:1:1. On 31<sup>st</sup> March , 2016 , they decided to dissolve their firm. On that date their balance sheet was as under:

	Rs.		Rs.
Creditors	6,000	Cash	3,200
Loan	1,500	Debtors 24,200	
Capital A/cs:		Less: Provision 1,200	23,000
A 27,500			
B 10,000		Stock in trade	7,800
C 7,000	44,500	Furniture	1,000
		Sundry Assets	17,000
	52,000		52,000

It is agreed that:

- A is to take over Furniture at Rs. 800 and Debtors amounting to Rs. 20,000 at Rs.17,200 ; the Creditors of Rs. 6,000 to be paid by him at this figure.
- B is to take over all the Stock in Trade at Rs. 7,000 and some of the Sundry Assets at Rs.7,200 (being 10% less than book value).
- C is to take over the remaining Sundry Assets at 90% of the book value, less Rs. 100 as discount and assume the responsibility for the discharge of the loan together with accrued interest of Rs. 30 which has not been recorded in the books.
- The expenses of dissolution were Rs. 270 . The remaining debtors were sold to a debt collecting agency for 50% of the book value.

Prepare necessary accounts to close the books of the firm



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- Q.6 .A,B and C who were sharing the profits and losses in the ratio of 7:2:1 respectively decided to dissolve the firm as on 31<sup>st</sup> December,20X6 on which date their Balance Sheet was as follows:

Liabilities	Rs	Assets	Rs
Trade Creditors	1,000	Cash	242
Loan from Mrs A	1,000	Debtors	1,748
Employees' Provident Fund.	142	Stock	2,492
Workmen Compensation Reserve	100	60 shares in X Ltd.	480
General Reserve	200	100 shares in Y Ltd.	4,000
A's Capital	2,372	Building	4,000
B's Capital	1,660	Plant	6,000
C's Capital		Less: Depreciation	4,000
	16,094		2,000
		Patents	5,606
		Goodwill	2,000
	22,568		22,568

'A' agreed to take over the building at Rs 7,000. 'B' took over goodwill, stock and debtors at their book values and plant at Rs 500 less and patents at Rs 1,000 less. He also agreed to pay to all the creditors. 'C' agreed to take the shares in X Ltd .@ Rs 5 each . The shares in Y Ltd. are to be divided in profit sharing ratio. Prepare Realization Account, Bank Account and the Capital Accounts of the Partners assuming that all partners are solvent.

- Q.7. M,N and O were partners in a firm sharing profits and losses in the ratio of 1/2:1/3:1/6 respectively. They agreed to dissolve their firm on 31<sup>st</sup> December , 20X6, on which date their Balance Sheet was as under:

Liabilities	Rs	Assets	Rs
Capital Accounts:		Machinery	1,21,500
M	1,17,000	Stock	22,650
N	58,000	Investments	44,490
Mrs. M's loan	30,000	Furniture	42,000
Trade Creditors	49,500	Debtors	27,900
General Reserve	42,000	Less: Provision	1,800
Workmen Compensation Reserve	6,000	O's Capital	35,500
Employees Provident Fund.	6,000	Cash at Bank	16,260

Furniture sold for Rs 36,000. The investments are taken over by M for Rs 52,500. M agrees to discharge the loan of his wife. N takes over all the stock at Rs.21,000 and debtors amounting to Rs 15,000 at Rs 12,000. Machinery is sold for Rs 1,65,000. The remaining debtors realized 50% of the book value. The expenses of realization amounted to Rs 1,800. The investments of the value of Rs 9,000 were not recorded in the books. These were taken over by the Trade Creditors. Prepare the Realisation A/c and the Capital accounts of the partners closing the books of the firm.

- Q.8. A, B and C are partners sharing profits in the ratio of 5:3:2. They decided to dissolve the firm whose Balance Sheet is given below.

Liabilities	Rs	Assets	Rs
A's Capital	2,00,000	Bank	70,000
B's Capital	1,50,000	Debtors	50,000
C's Capital	1,50,000	Stock	60,000
A's Current A/c	25,000	Furniture	25,000
B's Current A/c	17,000	Patents	35,000
P&L A/c	50,000	Machinery	1,00,000
Trade Creditors	60,000	Building	3,20,000
Workmen Compensation .Fund	10,000	C's Current A/c	12,000
Employees' Provident Fund.	5,000		
Mrs A's loan	5,000		
	6,72,000		6,72,000



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Following transactions took place at the time of dissolution:

Realisation expenses were to be fully borne by A for which he is to get a credit of Rs 10,000. Actual realization expenses paid out of firm's Bank Account amounted to Rs 12,000.

- (a) B took over Stock for Rs 55,000 and C took over Buildings for Rs 4,00,000.  
 (b) Other assets realized as follows :

Debtors Rs 48,000; Furniture Rs 17,000, and Machinery Rs 80,000.

Patents didn't realize anything and Trade Creditors were settled in full by paying them Rs 55,000.

- (c) Accounts of Partners were settled after realizing assets and paying outside liabilities. Prepare Realization A/c, Partners' Current A/cs and Capital A/c and Bank A/c.

Q.9. P,Q and R were partners in a firm sharing profits in the ratio of 1:2:2. Their Balance Sheet on 31<sup>st</sup> December, 20X6 was as follows:

Liabilities	Rs	Assets	Rs
Accounts Payable	14,000	Land & Buildings	47,000
Employees' Provident Fund	1,000	Office Equipment	8,000
Bank Overdraft	12,000	Stock	56,000
Q's Loan	18,000	Accounts Receivable	18,000
General Reserve	15,000	Furniture	15,000
Workmen Compensation Reserve	5,000	Bank	16,000
P's Capital	19,000		
Q's Capital	38,000		
R's Capital	38,000		
	1,60,000		1,60,000

Partners agreed to dissolve the firm on that date. You are given the following information about dissolution:

- (a) Furniture sold for Rs 9,000.  
 (b) Office Equipment was accepted by a creditor for Rs 7,000 in full settlement. The remaining creditors were paid in full by Cheques.  
 (c) Assets realized as follows: Land and Buildings Rs 1,20,000, Stock Rs 40,000, Accounts Receivable Rs 15,000.  
 (d) Other liabilities were paid in full.  
 (e) Dissolution expenses amounted to Rs 3,000

Required: Prepare Realization Account, Bank Account and capital Accounts of the partners.

Q.10. The following was the Balance Sheet of A and B as on 31<sup>st</sup> March 20X6.

Liabilities	Rs	Assets	Rs
Trade Creditors	28,000	Bank	11,500
Employees' Provident Fund.	10,000	Stock	6,000
Mrs. A's Loan	10,000	Debtors	19,000
B's Loan	15,000	Furniture	4,000
Workmen Compensation Reserve	5,000	Plant	28,000
Investment Fluctuation Reserve	1,000	Investments	11,000
Capital A/c :		Profit & Loss Account	7,500
A	10,000		
B	8,000		
	87,000		87,000

The firm was dissolved on 31<sup>st</sup> March, 20X6 on the following terms:

- (i) A agreed to take the investment at Rs 8,000 and to pay off Mrs A's loan.  
 (ii) Other Assets were realized as follows:  
 Stock Rs 5,000; Debtors Rs 18,500; Furniture Rs 4,500; Plant Rs 25,000.  
 (iii) Expenses on realization amounted to Rs 1,600 . Trade Creditors agreed to accept Rs 27,000 only.  
 The profit and losses were shared in the ratio of 3:2.  
 Prepare Realization A/c, Partners' Capital A/cs and Bank A/c.

Q.11. Sumati and Vineeta were partners sharing profits and losses in the ratio of 3:2.

Their Balance Sheets as on 31<sup>st</sup> December 1994 was as follows:

Liabilities	Amount	Assets	Amount
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	(Rs)		(Rs)
Creditors	12,500	Cash in hand	4,500
Bills Payable	8,200	Bills Receivable	3,000
General Reserve	6,800	Debtors	10,000
Capitals:		Less Prov.	1,000
Sumati	50,000	Plant & Machinery	60,000
Vineeta	40,000	Stock	41,000
	1,17,500		1,17,500

They decided to dissolve the partnership firm and assets & liabilities realised as under:

1. Half of the Bills Receivables at 50% of the cost and remaining Rs 500 more than cost price.
2. 20% of Debtors were proved as bad debt
3. Plant & Machinery was realised at Rs 75,000
4. 50% of the stock was taken over by Sumati and remaining was realised for Rs 25,000.
5. Creditors worth Rs 1,500 were not to be claimed.

In addition to the above realization, expenses were paid at Rs 3,000 in cash.

Prepare Realisation Account, Partners' Capital Account and Cash Account.

- Q.12 Ram, Hari and Ashok were partners in a firm sharing profits and losses in the ratio of 2:2:1. They decided to dissolve the firm on 31.12.20X6. The Balance Sheet of the firm on the date of dissolution was as follows:

Liabilities	Rs	Assets	Rs
Trade Creditors	1,07,000	Machinery	1,08,000
General Reserve	12,000	Furniture	30,000
Provident Fund	18,000	Investments	25,000
Workmen Compensation Fund	5,000	Stock	60,000
Capitals:		Debtors	36,000
Ram	1,03,000	Ashok's Capital	26,000
Hari	40,000		
	2,85,000		2,85,000

They appointed Hari to realize the assets and pay the liabilities. For this purpose he was to be paid Rs 5,000.

Furniture sold for Rs 20,000. Bad debts amounted to Rs 5,000. Stock realized Rs 40,000 and Machinery realized Rs 80,000. There was an unrecorded asset which was sold for Rs 3,000.

One of the trade creditors took over the investments at Rs 23,000. Remaining creditors were paid at a discount of Rs 4,000. Realization Expenses amounted to Rs 2,000.

Prepare Realization account, Capital accounts and Cash account.

- Q.13. Anju, Manju and Sanju were partners in a firm sharing profits in the ratio of 2:2:1. On 31<sup>st</sup> May 2016 their B/S was as follows:-

Liabilities	Rs	Assets	Rs
Creditors	50,000	Cash	60,000
Bank Loan	35,000	Debtors	75,000
Provident Fund	15,000	Stock	40,000
Investment Fluctuation Fund	10,000	Investments	20,000
Commission Received in adv.	8,000	Plant	50,000
Capital: Anju	50,000	Profit and Loss account	3,000
Capital :Manju	50,000		
Sanju	30,000		
	2,48,000		2,48,000

On this date the firm was dissolved. Anju was appointed to realize the assets. Anju was to receive 5% commission on the sale of assets ( except cash) and was to bear all expenses of realization.

Anju realized the assets as follows:-

Debtors Rs.60,000, Stock Rs.35,500. Investments Rs.16,000, Plant 90% of the book value. Expenses of realization amounted to Rs.7,500. Commission received in advance was returned to the customers after deducting Rs.3,000.



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Firm had to pay Rs.8,500 for outstanding salary not provided for earlier. Compensation paid to employees amounted to Rs.17,000, This liability was not provided in the balance sheet Rs.20,000 had to be paid for provident fund. Prepare Realization Account, Capital Accounts and Cash account.

- Q.14. X,Y and Z are partners sharing profits and losses in the ratio 2:2:1. They have decided to dissolve the firm on 31<sup>st</sup> December 2009.The Balance Sheet of X , Y and Z on the date of dissolution was as follows:

	Rs.		Rs.
Creditors	40,000	Cash at Bank	5,000
Employees ' Saving Bank	20,000	Debtors	32,000
Outstanding Expenses	10,000	Stock	42,000
Capitals :		Prepaid Expenses	2,000
X	81,500	Furniture	10,000
Z	58,500	Machinery	84,000
		Capital A/c:- 'Y'	20,000
		Profit & Loss A/c	15,000
	2,10,000		2,10,000

Z was appointed to realise the assets and pay the liabilities . He was entitled to receive 5% commission on the net amount realised . He was also to bear the expenses of realization .

Assets realised as follows:

Debtors Rs. 20,000; Stock at 60% of its book value; Furniture Rs. 7,500; Machinery Rs. 70,000. Expenses of realization amounted to Rs. 1,500.

An office Computer , not shown in the books of accounts, realised for Rs. 2,500. There was a contingent liability of Rs. 5,000 for bills discounted for which Rs. 2,000 had to be paid.

Prepare necessary account.

### MEMORANDUM BALANCE SHEET QUESTIONS.

- Q15. A and B were partners sharing profits as 3:2. They dissolved their firm on December 31,2017. On that date their capitals were Rs.1,50,000 and Rs.2,00,000 respectively. Creditors were 50,000. General reserve of Rs.30,000 and cash at bank Rs.80,000. All the assets realized Rs.2,20,000. The expenses of realization came to be Rs.500. Close the books of the firm.
- Q.16. .A and B were partners sharing profits as 3:2. They dissolved their firm on December 31,2017. On that date their capitals were Rs.3,00,000 and Rs.2,00,000 respectively. Creditors were 60,000. Profit and Loss (Cr) of Rs.40,000 and cash Rs.60,000. All the assets realized Rs.1,90,000. The expenses of realization came to be Rs.2,000. Close the books of the firm.
- Q.17. A and B were partners in a business sharing profits and losses in the ratio of 3: 1 They decided to dissolve the partnership on March 31,2010. On that date, their Capitals stood at Rs.1,00,000 and Rs. 50,000 respectively . Creditors were Rs. 25,000 and Cash Rs.5,000. The assets other than Cash realized Rs.64,000. The expenses of realization amounted to Rs. 1,000. Prepare necessary ledger accounts to close the books of the firm.
- Q.18 On 1<sup>st</sup> January, 2015, X,Y and Z started business sharing profit and losses in the ratio of 3:2:1 respectively. They contributed Rs. 2,00,000, Rs.100,000 and Rs. 80,000 respectively as their Capital. Profit earned during the year was Rs.90,000.Each Partner withdrew Rs.12,000 during the year. The firm was dissolved on 31<sup>st</sup> December, 2015. On that there were Creditors of Rs.20,000. Assets realized for Rs. 3,00,000 and the expenses were paid Rs. 3,000.Prepare the necessary accounts to close the books of the firm.
- Q.19 On 1<sup>st</sup> January, 2015, X,Y and Z started business sharing profit and losses in the ratio of 3:2:1 respectively. They contributed Rs. 1,00,000, Rs.80,000 and Rs. 40,000 respectively as their Capital which was deposited into Bank. Profit earned during the year was Rs.60,000.Each Partner withdrew Rs.15,000 during the year. The firm was dissolved on 31<sup>st</sup> December, 2015. X took up the stock at an agreed price of Rs. 25,000. Y took up furniture at Rs.5,000 and Z took up debtors at Rs.18,500.Creditors were paid off and then remained a balance of Rs. 14,000 in the Bank Account. Prepare the necessary accounts to show the distribution of cash at bank and of the further cash brought in by any of the Partners.
- Q.20. Anu and Binu started a partnership firm selling tinned food products on April 1, 2015.They contributed Rs. 30,000 and Rs. 20,000 respectively. Profits are to be shared in proportion to their capitals. They conducted the business for a period of two years, the business results of which are as follows:  
For the 1<sup>st</sup> year ending on March 31,2016- Profit of Rs. 30,000



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For the 2<sup>nd</sup> year ending on March 31,2017- Loss of Rs. 20,000

As the business was no longer profitable, they decided to dissolve the firm on March 31,2017. The partners were drawing Rs. 4,000 each p.a. Creditors amounted to Rs. 16,400 on the date of dissolution . Assets of the firm were sold for Rs. 75,000 and realization expense amounted to Rs.500. Close the books of the firm and prepare necessary ledger accounts.

- Q.21. X ,Y and Z commenced business on 1<sup>st</sup> January,2016 with capitals of Rs. 1,00,000, Rs.80,000 and Rs.60,000 respectively. Profit & losses were shared in the ratio of 4:3:3 respectively. Capitals carried interest at 5% p.a. During 2008 , they made profits of Rs. 40,000 before allowing interest on capitals .Drawings of each partner were Rs. 10,000 p.a On 31<sup>st</sup> Decmber,2008, the firm was dissolved . Creditors on that date were Rs. 24,000. The assets realised for Rs. 2,60,000. Prepare necessary ledger accounts.
- Q.22. A,B and C are partners in a firm sharing profits and losses in the ratio 2:2:1. The firm was dissolved on 31 Jan.2017. On that date the profit and loss account showed a debit balance of Rs.10000, and General Reserve a balance of Rs.15,000. Pass necessary journal entries.
- Q.25 O and P were partners in a firm sharing profits and losses equally. Their firm was dissolved on 15<sup>th</sup> March 2017, which resulted in a loss of Rs 50,000 .On that date the capital account of O showed a credit balance of Rs 40,000 and capital account of P showed a credit balance of Rs. 50,000 .There was a cash balance of Rs. 40,000 on the date of dissolution.  
You are required to pass the necessary journal entries for the (i) transfer of loss to the capital accounts of the partners and (ii) making final payment to the partners.
- Q.26. What journal entries would be passed for the following transactions on the dissolution of a firm, after various assets (other than cash) and third party liabilities have been transferred to Realization account.
- (i) Bank loan Rs.12,000 is paid.
  - (ii) Stock worth Rs.6,000 is taken over by partner B
  - (iii) A Computer completely written off in the books of accounts was sold for Rs.200.
  - (iv) Loss on realisation Rs.14,000 was to be distributed between A and B in the ratio 5:2.
  - (v) An unrecorded asset taken over by Partner A worth Rs 4,000.
  - (vi) Creditors of Rs.30,000 are discharged by paying Rs.27,000.
  - (vii) Profit on realisation amounting Rs.6,000 is to be distributed between the partners A and B In the ratio 7:5.
  - (viii) There was a joint life policy for Rs. 60,000. The policy was surrendered for Rs.15,000.
  - (ix) Total creditors in the books Rs.40,000. Office equipment was accepted by a creditor for Rs.7,000 in full settlement and remaining creditors were paid in full by cheque.
  - (x) During the course of realization a liability under action for damages was settled at Rs.12,000 against Rs.10,000 included in creditors. Total Creditors Rs.20,000.
  - (xi) Investment worth Rs.10,000 taken over by partner A against his loan in full settlement.
  - (xii) Partner B had taken a loan from insurers for Rs.5,000 on the security of the joint life policy. The policy was surrendered and insurers paid a sum of Rs.6,200 after deducting Rs.5000 for B's loan and Rs.300 interest thereon.
  - (xiii) Partner A promised to pay off Mrs.A's loan of Rs.9,000.
  - (xiv) Out of the total Creditors Rs.40,000, one of the creditors agreed to accept Debtors amounting Rs.20,000 at Rs.17,900 and balance paid in cheque.
  - (xv) Partner A's loan Rs.3,000 paid in cash.
  - (xvi) Mrs A' s loan Rs.5,000 paid in cheque.
  - (xvii) Furniture worth Rs.15,000 taken over by Creditors.
  - (xviii) Realization Expenses Amounted to Rs. 10,000.
  - (xix) Realization Expenses amounted to Rs.5,000 were paid by a Partner.
  - (xx) Realization Expenses amounted to Rs.5,000 were paid by the firm on behalf of a Partner.
  - (xxi) A Partner was paid remuneration (including expenses) of Rs.7,500 to carryout dissolution of the firm. Actual Expenses were Rs.10,000.
  - (xxii) Dissolution expenses wereRs.8,000, out of the said expenses, Rs.3,000 were to be borne by the firm and the balance by a Partner. Rs.8,000 are paid by the firm.
  - (xxiii) Dissolution expenses wereRs.8,000. Rs.3,000 were to be borne by the firm and the balance by a Partner. The expenses were paid by a Partner.
  - (xxiv) Realization Expenses amounted to Rs.5,000 were to be borne and paid by a partner.
  - (xxv) X, the Partner, is paid remuneration of Rs.5,000 for dissolution of the firm. Realization expenses of Rs.8,000 are met by the firm.



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(xxvi) Realization Expenses of Rs.5,000 were to be borne by X, a partner. However it was paid by Y  
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