

15.7.20

Financial Accounts  
B. Com Part I

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Question: — What Journal entries would be passed for the following Transaction on the dissolution of the firm. After various Assets (other than GR) and third Parties liabilities have been transferred to Realisation are

- (i) Bank loan Rs 12000 is paid.
- (ii) Stock worth 6000 is taken over by Partner 'B'.
- (iii) Expenses on dissolution amounted to 1500 and were paid by the Partner 'A'.
- (iv) A Type writer completely written off in the book of Accounts was sold for 2000.
- (v) Loss on Realisation Rs 14000 was to be distributed between 'A' and 'B' in the ratio of 5:2.

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(ii) employment <sup>from</sup> taxable salary

Ans.

Date	Particulars	L.F	dr cr	
			Amount	Amount
(1)	Realisation A/c Dr To Bank A/c (Being Bank loan paid)		12000	12000
(ii)	B A/c Dr To Realisation A/c (Being stocks taken over by B)		6000	6000
(iii)	Realisation A/c Dr To A Capital (Being Realisation expenses paid by A)		1500	1500
(iv)	Bank A/c Dr To Realisation A/c (Being Typewriter sold)		2000	2000
(v)	A Capital A/c Dr		10000	14000
	B Capital A/c Dr To Realisation A/c		4000	
	(Being loss on Realisation transferred to A & B in the ratio of 5:2)			
	Grand total		35500	35500

(ii) ... taxable salary