

BAL BHARATI PUBLIC SCHOOL
Ganga Ram Hospital Marg, New Delhi-60

CLASS –XII
ASSIGNMENT- 6

SUBJECT – ACCOUNTANCY
TOPIC – Dissolution of a partnership
firm

- Q 1 Distinguish between Realisation account & Revaluation account.
- Q 2 Why is the balance of cash or bank not transferred to realisation account?
- Q 3 Pass the necessary journal entries in the following cases:
- (i) An unrecorded asset taken over by a partner
 - (ii) An unrecorded asset given to our creditor
 - (iii) Payment to creditors worth Rs 3000 if they accept stock of the same value
 - (iv) partner A takes over the liability of Mrs A's loan of Rs 10000.
- Q 4 Mention two internal liabilities whose payment does not require cash payment at the time of dissolution of the firm.
- Q 5 Explain the provisions of sec 48 of partnership act.
- Q 6 Distinguish between firms debts & private debts.
- Q 7 Give the circumstances under which partnership firm can be dissolved.
- Q 8 Are provisions against assets to be paid? Give reason.
- Q 9 How do we deal with the following at the time of dissolution of the firm:
- (i) Undistributed profits / losses
 - (ii) Fictitious assets
 - (iii) Partners loan account
 - (iv) If the question is silent regarding realisation of intangible asset
 - (v) If the question is silent regarding realisation of tangible asset
 - (vi) If the question is silent regarding payment of liability.
- Q 10 Pass the journal entries in the following cases:
- (i) Expenses of realisation Rs 7000 were to be borne by Ram, a partner.
Ram used firms cash for paying these expenses.
 - (ii) Expenses of realisation Rs 8000 were to be borne by Ritu, a partner.
 - (iii) Realisation expenses paid by the firm amounted to Rs 3000. B had to bear

these expenses.

- (iv) An asset which had already been written off fetched Rs 8000.
- (v) The firm had a JLP of Rs 50000 on which the premium paid was regarded as a business expense. The surrender value of the policy was Rs 15000. The Insurance co. Also paid a special bonus of Rs 6000.
- (vi) Hari was to be given a commission of 3% on the net cash realised on dissolution & he was to meet all realisation expenses. The cash realised from sale of assets was Rs 76000 & cash paid for liabilities amounted to Rs 16000. Actual expenses were Rs 7400.
- (vii) L, a creditor to whom Rs 16000 were due to be paid took over machinery at Rs 20000. Balance was paid by him in cash.
- (viii) Expenses of realisation were Rs 2000.
- (ix) An unrecorded liability of Rs 5500 settled at a discount of 20%.
- (x) Realisation expenses Rs 2000 were paid by Kishore.
- (xi) Dissolution expenses were 9000. Out of the said expense Rs 4000 were to be borne by the firm and the balance by a partner.
- (xii) Dissolution expenses were 9000. Out of the said expense Rs 4000 were to be borne by the firm and the balance by a partner. The expenses were paid by a partner.
- (xiii) X agrees to do dissolution work for an agreed remuneration of Rs 5000 & the firm bears all realisation expenses which amounted to Rs 8000.