

Worksheet for Subject .....Accounts.....

Topic capital adjustment

Class 12 commerce .....

### Solve the following questions:

- The following is the balance sheet of A and B, who are sharing profits in the proportion of 3:1 on 31<sup>st</sup> March 2017:

Liabilities	Rs.	Assets	Rs.
Creditors	39700	Cash	22600
P.B.D	300	Bills receivable	3000
General reserve	4000	Debtors	16000
Capital:	30000	Stock	20000
A	16000	Furniture	1000
B		Land and building	25000
		Advertisement exp	2400
	90000		90000

They agreed to take C into partnership on the following terms: C will pay Rs. 14000 as his capital and goodwill for 1/5<sup>th</sup> share. Goodwill of the firm is Rs. 20000, The stock and furniture will be reduced by 10% and the pbd will be create @5% on debtors. Value of land and building be appreciate by 20%. Total of capital accounts of the partners will be readjusted on the basis of new partners capital and any deficiency transferred to there current accounts. Prepare revaluation account partners capital account and balance sheet of the new firm.