

They accepted an offer from Blackie of \$4000 for the Book Debts and \$6800 for the Stock.

Adjust the accounts and show the Capital Accounts of the respective partners.

Macdonald deposited to credit of firm the amount shown due by him as per your statement. Cheques are issued to Balcolm and Meek. Keep Cash Account in Ledger. Show Ledger properly closed.

Beamish, Blackie and Silliker carry on business in partnership, sharing gains and losses equally. On Dec. 31, 1916, their Balance Sheet was as follows:			
Debtors.....	\$38000	Creditors.....	\$27500
Stock.....	25000	Mortgage Payable.....	7000
Loose Tools.....	7500	Beamish.....	25000
Plant and Machinery.....	11500	Blackie.....	25000
Buildings and Land.....	10000	Silliker.....	12500
Bank.....	5000		
	<u>\$97000</u>		<u>\$97000</u>

Show Ledger Accounts for above.

Beamish wishes to retire from the partnership but will leave for 90 days his interest in the business and Blackie and Silliker agree to purchase the business on the following terms:

5% to be written off Debtors.

15% " " Stock.

10% " " Loose Tools.

Valuation of Plant and Machinery, \$10000.

Buildings and Land, \$12500.

Illustrated catalogues and electros on hand (not included above), \$550.

Blackie and Silliker to assume the mortgage.

Make the Journal entries required, post to Ledger accounts.

Make out a Balance Sheet after the adjustments are completed.

Corkum, Creaser and Cushing are partners, receiving salaries of \$90, \$70 and \$50 per month. The profits after salaries are allowed, up to \$3000, are to be divided 1/2, 1/3, 1/6, over \$3000 equally. Corkum retired from active business and waives his right to salary for 1916. The profits for that year, before charging salaries, amount to \$5400. To what extent will each be affected by Corkum's concession?

O'Brien and Crowe, dealers in Boots and Shoes, both of whom have kept their books by Single Entry decide to unite under name of O'Brien & Crowe, and ask you to open a set of Double Entry Books using as books of original entry: Journal, Cash, Sales and Bill Books.

The following is a statement of their effects as far as can be learned at this date, January 1/16.

ASSETS :		O'BRIEN		CROWE
Real Estate.....		\$11500		Nil
Stock.....		3500		\$5600
Debtors.....	\$850		\$1200	
Less 6%.....	51		72	
		799		1128
Store Fittings.....		750		925
Cash.....		51		47
Bank.....		Nil		1300