You are given :

(1) The Balance Sheet as on Jan. 1/16 of H. J. & R. A. Stech, trading under the name and style of H. J. Stech & Son.

(2) The Cash Transactions for twelve months to Dec. 31/16.

(3) A Summary of the remaining transactions for that year.

No. 1.

| | | | | |
|---|---|---|---|---|
| Acadian Bank 1/1/16 | | $ 8000 | *To Public :* | |
| Bills Receivable | | 3000 | Bills Payable | $ 3200 |
| Debtors | $8000 | | Creditors | 7200 |
| Less D. D. Reserve | 200 | 7800 | *To Proprietors :* | |
| Mdse. | | 12000 | H. J. Stech C/A | 30000 |
| Plant and Machinery | | 8000 | R. A. Stech C/A | 10000 |
| Land and Buildings | | 12000 | H. J. Stech W/A | 00 |
| | | $50800 | | $50800 |

No. 2.

| | | | |
|---|---|---|---|
| Acadian Bank 1/1/16 | $ 8000 | Salaries | $ 2400 |
| Debtors | 54000 | Wages | 2960 |
| Bills Receivable | 18000 | B. Payable | 14640 |
| | | Creditors | 29400 |
| | | Office Expenses | 1600 |
| | | H. J. Stech W/A | 4000 |
| | | R. A. Stech W/A | 2000 |
| | | Balance 31/12/16 | 23000 |
| | $80000 | | $80000 |

No. 3.

| | |
|---|---|
| Purchases | $60000 |
| Purchase Discounts | 200 |
| Sales | 76000 |
| Sales Discounts | 400 |
| Bills Receivable received | 18200 |
| Bills Payable issued | 31000 |
| Mdse. on hand 31/12/16 | 14000 |

You are to write off for depreciation on Plant and Machinery $800 and create a Reserve for Depreciation on Buildings of $600, allow $500 for possible loss in collecting accounts and notes due firm, allow the partners salaries of $150 and $75 per month for the year respectively.

Prepare a Loss and Gain Statement and Balance Sheet on December 31/16, dividing losses and gains in proportion to Capital Accounts.

Give Journal entries to adjust Loss and Gain A/cs.

Show your Ledger A/cs properly balanced on Dec. 31/16.

Balcolm, Meek and Macdonald traded in partnership sharing Profits and Losses in the proportions of 1/2, 1/3 and 1/6, respectively. They determined to give up business on Dec. 31/16, their Balance Sheet showing as follows :

| | | | |
|---|---|---|---|
| Debtors | $4800 | Creditors | $2600 |
| Stock | 8400 | Balcolm's C/A | 8880 |
| Cash | 360 | Meek's C/A | 3320 |
| Macdonald's C/A | 1240 | | |
| | $14800 | | $14800 |