2 Dougal and Florence, who have been in partnership for many years, decided to retire and dissolve the partnership on 30 September 2003. Profits and Losses were shared in the ratio of the partners' Capital account balances, which were fixed at Dougal $80 000 and Florence $40 000. The partnership Balance Sheet at 30 September 2003 was as follows.

		$	$	$
Fixed assets (net book values)				
Buildings		104 000		
Fixtures and fittings		35 000		
Motor vehicles		26 000		165 000
Current assets				
Stock		10 500		
Debtors		17 230		
Bank		950	28 680	
Current liabilities				
Creditors			9 230	19 450
				184 450
Capital accounts	Dougal	80 000		
	Florence	40 000		120 000
Current accounts	Dougal	14 430		
	Florence	(2 580)		11 850
Loan from Dougal				52 600
				184 450

The partnership ceased trading on 30 September 2003 and the assets were realised as follows.

	$
Buildings	100 000
Fixtures and fittings	37 000
One motor vehicle	15 000
The remaining motor vehicle was taken by Dougal at an agreed valuation of	9 500
Stocks	5 200

All debts were collected and banked except for bad debts totalling $900.
Discounts allowed amounted to $200.
Creditors were paid in full.
Dissolution expenses of $1200 were paid by cheque.
Dougal's loan was repaid from the bank account.
Partners' Current account balances were transferred to their Capital accounts.

REQUIRED

Prepare the following accounts for the month of October 2003.

(a) Dissolution (Realisation) account.

....

....

....

....

....

....

....

....

....

....

....

....[8]

(b) Partners' Current accounts, in columnar form.

....

....

....

....

....

....

....

....

....

....

....

....[4]

(c) Partners' Capital accounts, in columnar form

....

....

....

....

....

....

....[4]

(d) The partnership Bank account.

....

....

....

....

....

....

....

....[8]

(e) Discuss **three** problems which may arise in a partnership but would **not** occur in a limited company.

....

....

....

....

....

....

....

....

....[6]