**Soalan 9**

David, Daud and Danish were partnership in 3D Design Company operated in Cyberjaya. They shared their profit and losses according to the ratio of their capital. On 31 Mei 2023, they agreed to dissolve their business. The following information were extracted on the date of their dissolution.

|  |  |  |
| --- | --- | --- |
|  | **RM** | **RM** |
| Premises |  | 75,000 |
| Motor Vehicles |  | 52,500 |
| Fixtures and Fittings |  | 20,000 |
| Inventory |  | 10,950 |
| Accounts Receivable |  | 41,250 |
| Accounts Payable |  | 1,000 |
| Bank Overdraft |  | 28,700 |
| Accrued Rental Income |  | 52,000 |
| Capital |  |  |
| David | 60,000 |  |
| Daud | 40,000 |  |
| Danish | 20,000 |  |
|  | 120,000 | 120,000 |

The following transactions happened during the dissolution:

1. Premises were sold on book value while Motor Vehicles were sold for RM42,300.
2. Fixtures and Fittings were taken over by David RM12,000 and the rest were sold for RM6,200.
3. Debtors amounted to RM39,000 were able to be collected after allowing discounts of RM850. The rest of the debtors were recorded as bad debts.
4. Accounts Payable were fully settled.
5. Dissolution expenses were produced during the dissolution process RM3,600.
6. Tenants have settled their rental in accruals.
7. All the transactions were made in the bank.
8. **You are required to prepare:**
9. Realisation account.
10. Bank account.
11. Partners’ Capital account in columnar form.
12. State **two** reasons why was the partnership dissolved.