ame:	Date:
ass: Time:	Max. Marks: 25
artnership accounts	
State <b>two</b> features of partnership form of business.	
Feature 1	
Feature 2	
	[2]
2. Sham was a sole trader. He invited his friend Ahmed two benefits that he will enjoy from this partnership	
Benefit 1	
Benefit 2	
	[4]

For each of these items below place one tick ( ✓ ) in the correct box to show where it
appears in a partnership's final accounts.

	Profit and Loss Account	Profit and Loss appropriation account
Interest on a partner's capital		
Interest on a loan from a partner		
Interest on a partner's drawings		

4.	In a partnership Appropriation Account, name <b>two</b> items which may be added to, or
	deducted from, net profit before the partners' share of profit is calculated.

Item 1	
Item 2	
	[2]

5. Sam and John started a partnership by investing \$3600 and \$1200 respectively. They decide to share profits in the ratio 3:1 after charging interest on loan. Their firm takes a bank loan of \$1000. Interest on the loan is to be charged at 1% per month. They bought an office computer for \$500, furniture for \$200 and stock for \$1200. All transactions are done through the firm's bank account.

After first month of trading they make a profit of \$600 before charging interest on the bank loan.

a) Show the journal entry to record the opening balances for the partnership [8]

Particulars	Dr.	Cr.

b)	Calculate the interest charged on the bank loan for the month. Show your workings.	[3]
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c)	Calculate the share of profit for the month earned by Sam. Show your workings	[3]
_		
7	Teacher's Comment	

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