



Subject-Accounting

Grade-12

Prepared by -
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Competency 10.0 – Prepares financial statements of a partnership business.

Prepare the Income Statement for the period ending 2017/03/31 and the Statement of Financial Position as at the same date.

Annexure 9.4.1

Trial Balance of the partnership as at 2016/03/31

Account name	Athula and Mithula Enterprise		Sinha and Weera Enterprise	
	Debit	Credit	Debit	Credit
2015/04/01 Stock	800		400	
Sales revenue		2000		1000
Property, plant & equipment	1200		800	
Debtors and creditors	300	250	200	500
Capital a/c - Athula/Sinha		1000		500
- Mithula/Weera		800		400
Current a/c - Athula/Sinha		50	30	
- Mithula/Weera	10			60
Purchases	1400		850	
Drawings - Athula	100			
- Weera			50	
Advertising	20		40	
Building rent	40		30	
Electricity	110		80	
Salaries & wages	180		90	
Other income		140		80
Salaries - Athula	50			
- Mithula	40			
Interest on capital paid				
- Sinha			10	
- Weera			20	
Loan a/c - Mithula/Weera		150		100
Property, plant. Provision for depreciation (2015.04.01)		60		40
Provision for doubtful debts (2015.04/01)		50		20

Cash & cash equivalents	250		100	
	4500	4500	2700	2700

The additional information below is relevant to both businesses.

01. The cost of the stock as at 2016/03/31 was Rs.70,000 while its realizable value on that day was Rs.50,000.
02. Accrued expenses on 2016/03/31 was
Electricity – Rs.10,000
Prepaid building rent on 2016/03/31 was Rs.5,000
03. Write off Rs.50,000 as bad debts and make a provision for bad debts of 10% of the remainder.
04. Partners' drawings as follows has not been recorded:

Athula	-	Rs. 10,000	Sinha	-	Rs.15,000
Mithula	-	Rs.20,000	Weera	-	Rs.5,000
05. Athula has paid a electricity bill for Rs.30,000 while Sinha has paid a telephone bill for Rs.10,000 on behalf of the business. These amounts have to be reimbursed.
06. The terms of the partnership agreement includes:
 1. 10% annual interest is payable on the Capital
 2. Payment of Rs.60,000 per annum as salary for each partner
 3. Payment of 10% interest per annum on loans

