

- 1 Ahmed and Raji are in partnership as retailers but have not maintained full accounting records. They have been advised to use a double entry system of book-keeping.

### REQUIRED

- (a) State **three** advantages to business owners of using the double entry system of book-keeping.

1 .....

2 .....

3 .....

[3]

### Additional information

The following information is available for the partnership:

- 1 Assets and liabilities

	30 April 2019	1 May 2018
	\$	\$
Equipment at net book value	17 600	20 500
Motor vehicles at net book value (Cost \$25 000 at 1 May 2018)	?	16 500
Inventory	5 470	6 750
Trade receivables	3 790	3 260
Trade payables	4 560	4 390
Wages owing	2 300	1 500
Rent paid in advance	1 600	950
Cash and bank balances	6 470 credit	5 430 debit

- 2 The summary of the partnership bank receipts and payments for the year ended 30 April 2019 was as follows.

	\$
Receipts	
From credit customers	57 900
Payments	
To credit suppliers	25 800
New motor vehicle	6 800
Partners' drawings	16 700
Wages	10 700
Rent	7 500
General expenses	2 300

All purchases and sales were made on credit.