- 1 Carl and Daniel are in partnership. Their partnership agreement provides that:
 - 1 Daniel has a partnership salary of \$3000 per annum
 - 2 Interest on capital is 6% per annum
 - 3 Interest on drawings is charged
 - 4 Residual profits / losses are shared 3:2 respectively.

The partners have never kept full accounting records but provided the following information:

Cash book summary for the year ended 31 December 2010

	\$		\$
Balance b/d	2 178	Trade payables	195 911
Trade receivables	44 049	Wages	63 156
Cash sales	332 467	Purchase of machine	8 800
Rent received	7 000	General expenses	56 676
		Drawings - Carl	35 660
		Drawings - Daniel	26 480

The assets and liabilities were:

	1 January 2010 \$	31 December 2010 \$
Fixed capital account - Carl	100 000Cr	100 000Cr
Fixed capital account - Daniel	70 000Cr	70 000Cr
Current account - Carl	3 210Cr	?
Current account - Daniel	1 304Cr	?
Machinery (Net Book Value)	147 000	145 000
Motor vehicle (Net Book Value)	16 000	8 000
Inventory	14 003	13 471
Trade receivables	317	183
Trade payables	4 872	5 163
Wages accrued	612	938
Rent receivable accrued	500	_
Rent receivable prepaid	_	500

Additional information:

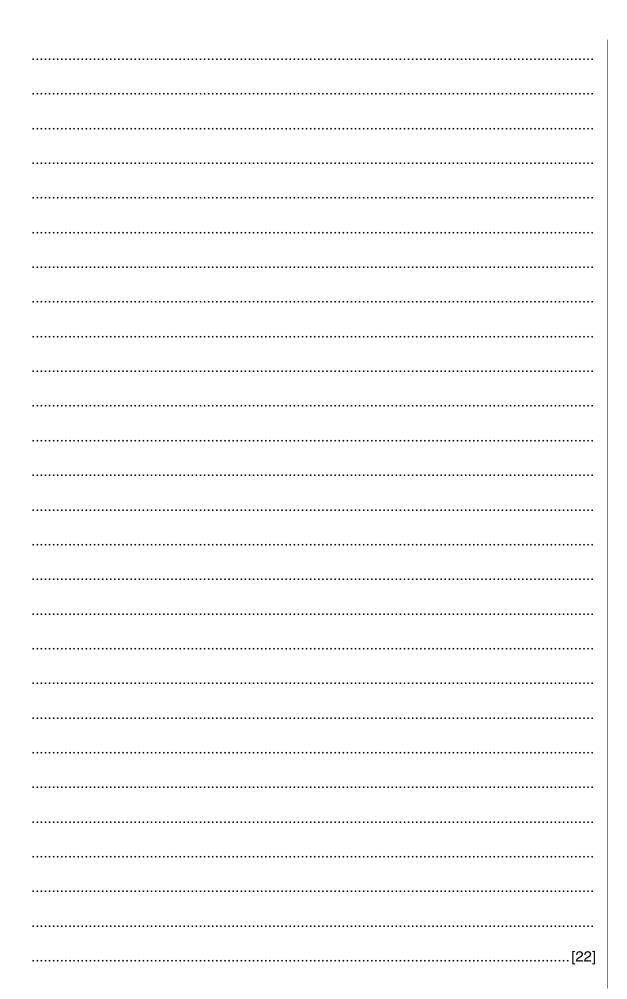
- 1. During the year, an old machine which had cost \$10 000 was traded in for \$3200 in part exchange for a new machine costing \$12 000. The old machine had been depreciated by \$6000 over its lifetime.
- 2. Interest on drawings for the year amounted to:

Carl – \$230

Daniel - \$100

REQUIRED

а	Prepare the income statement (trading and profit and loss account) and appropriation account for Carl and Daniel for the year ended 31 December 2010.



(b)	Prepare the 31 December	partners' 2010.	current	accounts	(in	columnar	format)	for	the	year	ended
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