

THE KENYA SCHOOL OF LAW



EXAMINATION FOR ADMISSION TO
THE ROLL OF ADVOCATES

LEGAL PRACTICE AND MANAGEMENT

1ST DECEMBER, 2014

DURATION: 3 HOURS

Instructions to Candidates

- (a) Answer **ONE** Question from **EACH** section and **ONE** from any Section.
- (b) All questions carry fifteen (15) marks each.
- (c) Marks may be lost for illegibility.

PLEASE TURN OVER

SECTION A

1. AB & C passed their exams in 2012 at the Kenya School of Law and subsequently applied and they were admitted to the roll of advocates on 5 July 2012. On 2nd September, 2012 they agreed to start a partnership AB & C Advocates. They agreed to share profits and losses in the ration 5:3:2 respectively.

The trial balance as at 30 September, 2013 was as follows:

	Shs.	Shs.
Sales		2,105,000
Return Inwards	68,000	
Purchases	1,371,900	
Carriage Inwards	15,000	
Stock as at 30 September, 2012	428,500	
Discounts Allowed	1,100	
Salaries and Wages	182,960	
Bad Debts	12,340	
Provision for bad debts 30 September, 2012		8,000
General Expenses	9,450	
Rent and Rates	24,500	
Motor Vehicle Expenses	39,400	
Motor Vehicle at cost	125,000	
Equipment at Cost	84,000	
Provision for Depreciation:		
Motor Vehicle		42,000
Equipment		27,000
Debtors	372,440	
Creditors		243,560
Cash at Bank	6,000	
Drawings		
A	126,100	
B	84,170	
C	62,160	
Current Accounts		
A		13,900
B	1,530	
C		20,740
Capital Accounts		
A		300,000
B		160,000
C		120,000