

13 A sole trader provided the following information for the year ended 31 December.

	\$
non-current assets increased by	25 000
current assets increased by	10 000
current liabilities increased by	12 500
additional capital introduced during the year	20 000
drawings for the year	13 000

What was the profit for the year ended 31 December?

- A** \$10 500 **B** \$14 500 **C** \$15 500 **D** \$29 500

14 Which rule does **not** apply in the absence of a partnership agreement?

- A** Interest on partners' loans is charged at 6% per annum.
- B** No interest on capital is charged.
- C** No salaries are paid to partners.
- D** Profits and losses are shared equally between the partners.

15 P and Q are in partnership sharing profits and losses equally. On 1 January 2021, the partnership had net assets of \$410 000. At that date, R was admitted into the business on the following terms.

- 1 Net assets to be revalued to \$480 000.
- 2 Goodwill was valued at \$50 000 but will not be retained in the books of account.
- 3 Profits and losses will now be shared P 40%, Q 40% and R 20%.

What was the change in Q's capital immediately after R's admission?

- A** decrease by \$33 000
- B** decrease by \$40 000
- C** increase by \$33 000
- D** increase by \$40 000