

- 14** A partner is retiring from a partnership business.

What is the correct accounting treatment for goodwill if no goodwill is retained in the books of account?

	old partners' capital accounts	new partners' capital accounts
A	credit in old profit-sharing ratio	debit in new profit-sharing ratio
B	credit in old profit-sharing ratio	debit in old profit-sharing ratio
C	debit in new profit-sharing ratio	credit in new profit-sharing ratio
D	debit in old profit-sharing ratio	credit in new profit-sharing ratio

- 15** X, Y and Z are in partnership sharing profits and losses equally.

At 31 December 2020, X had a capital account balance of \$100 000 and a current account credit balance of \$80 000. On 1 January 2021 X retired. Non-current assets and goodwill were revalued upwards by a total of \$60 000.

X left half the amount due to her on retirement as a loan to the partnership. The balance was paid to her by cheque.

How much was X paid?

- A** \$40 000 **B** \$60 000 **C** \$100 000 **D** \$120 000

- 16** A company had share capital of 100 000 ordinary shares of \$1 each at the start of its financial year.

The following transactions took place during the year.

- 1 An issue of 50 000 ordinary shares at \$1.40 each was made.
- 2 A bonus issue of 15 000 ordinary shares of \$1 each was then made.
- 3 A 12% debenture of \$100 000 was issued.
- 4 A bank loan of \$75 000 was repaid.

What was the net cash inflow from these transactions?

- A** \$75 000 **B** \$95 000 **C** \$110 000 **D** \$210 000