

14 Deepak provided the following information.

	end of year 1	end of year 2
allowance for irrecoverable debts	\$600	\$800
rate of allowance	3%	5%

By how much did the total of trade receivables change from the end of year 1 to the end of year 2?

- A** \$4000 decrease
- B** \$4000 increase
- C** \$10 000 decrease
- D** \$10 000 increase

15 A sole trader began a business on 1 January with \$50 000 capital.

During the year she introduced to the business her own private vehicle which had cost \$22 000 but which was valued at \$16 000 when she added it to the business. Drawings for the year were \$20 000. At the end of the financial year on 31 December the closing balance on the capital account was \$105 000.

What was the profit for the year?

- A** \$39 000 **B** \$53 000 **C** \$59 000 **D** \$75 000

16 Which provision of the Partnership Act 1890 applies when there is no partnership agreement?

- A** Partners receive 5% interest per annum on their capital contributions.
- B** Partners are charged 5% interest per annum on their drawings.
- C** Partners receive interest of 5% per annum on loans to the partnership.
- D** Partners are entitled to equal amounts of salary.