

**15** Which items would affect a sole trader's gross profit?

- 1 carriage inwards
- 2 cash discounts allowed
- 3 commission received
- 4 trade discounts received

**A** 1 and 4      **B** 1 only      **C** 2 and 3      **D** 2 and 4

**16** John and Mary are in partnership. After the first year of operation, the current accounts of both partners had a debit balance.

What might have caused the debit balances?

- 1 drawings
- 2 loss for the year
- 3 salaries they are entitled to

**A** 1, 2 and 3      **B** 1 and 2 only      **C** 1 and 3 only      **D** 2 only

**17** The following information is available for a partnership at the end of the financial year.

	\$
residual loss	3 000
total salaries to partners	5 000
total interest on capital	27 000
total drawings	14 000
total interest on drawings	700

How much was the profit for the year?

**A** \$14 300      **B** \$20 300      **C** \$28 300      **D** \$34 300

**18** A limited company intends to issue shares at a price above the par value.

Which items, apart from the bank balance, will be affected by the share issue?

- A** share capital, capital reserves and revenue reserves
- B** share capital and capital reserves only
- C** share capital and revenue reserves only
- D** share capital only