

- 14 A trader sells goods at a uniform mark-up of 20%. The following information is available for the year ended 31 December.

	\$
inventory at 1 January	1 780
inventory at 31 December	2 100
purchases	23 400
carriage inwards	700
carriage outwards	450
goods taken for own use (at selling price)	1 800

What was the value of cost of sales for the year ended 31 December?

- A** \$20 880 **B** \$21 830 **C** \$22 280 **D** \$22 340

- 15 Both partners in a business have a credit balance on their current account.

How does the inclusion of interest on drawings affect the financial statements of the partnership?

	current account balance	shares of residual profit
A	decreases	decreases
B	decreases	increases
C	increases	decreases
D	increases	increases

- 16 Vicram and Walter are in partnership but have **not** made any partnership agreement. The net assets of the partnership at the end of a financial period totalled \$180 000.

The partners maintain capital and current accounts.

The opening balances on the current accounts were:

	\$
Vicram	3200 debit
Walter	6800 credit

The profit of the partnership for the period, before appropriation, was \$85 000.

Vicram had provided a loan of \$20 000 to the business.

What is the balance on Vicram's **capital** account at the end of the period?

- A** \$35 200 **B** \$45 200 **C** \$48 800 **D** \$55 200