

- 12** A trader took out a 6% bank loan of \$30 000 on 1 November 2017, to be repaid in full in 10 years' time. Interest is to be paid annually. No interest had been paid by 30 April 2018.

How should this be recorded in the statement of financial position at 30 April 2018?

	current liabilities \$	non-current liabilities \$
<b>A</b>	0	30 000
<b>B</b>	900	30 000
<b>C</b>	1 800	30 000
<b>D</b>	30 900	0

- 13** Which items would **not** be in the appropriation account for a partnership?

- 1 interest on capital
- 2 interest on a partner's loan
- 3 share of profit on revaluation of assets
- 4 share of residual profit

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

- 14** X and Y had been in partnership sharing profit and losses in the ratio of 1 : 2 respectively.

Z was later admitted to the partnership.

It was agreed that the goodwill is valued at \$120 000. No goodwill account is to be retained in the books of account.

Profit and losses were to be shared between X, Y and Z in the ratio of 2 : 1 : 1 respectively.

What was the effect of the goodwill adjustment in X's capital account?

- A** decreased by \$20 000  
**B** decreased by \$60 000  
**C** increased by \$20 000  
**D** increased by \$60 000