

15 Which items would appear in a partnership's appropriation account, in the absence of a partnership agreement?

- 1 profit for the year
- 2 partners' interest on drawings
- 3 partners' salaries
- 4 partners' share of profits

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

16 A partnership makes a profit for the year of \$108 000 before taking account of appropriations. Other financial information is as follows.

	X	Y	Z
salary	—	—	\$10 000
capital balance	\$50 000	\$40 000	\$10 000
profit sharing ratio	5	3	2

Interest on capital is allowed at 8% per annum.

What is Z's share of the profit for the year?

A \$18 000 **B** \$18 800 **C** \$28 000 **D** \$28 800

17 A business has settled a legal dispute with a customer and expects to pay him \$10 000 before the end of the next financial year.

Which heading is this amount included under in the company's statement of financial position for this financial year?

- A** capital and reserves
- B** current liabilities
- C** non-current assets
- D** non-current liabilities