

- 17 X becomes a partner in a business receiving a 25% share in the profits. He pays in \$60 000 as his capital. The goodwill of the business is valued at \$40 000.

What is the balance on X's capital account, if goodwill is **not** included in the books?

- A** \$20 000      **B** \$50 000      **C** \$60 000      **D** \$70 000

- 18 A club has 190 members. The club charges an annual subscription of \$240 per member.

At the start of the year, 11 members had paid their subscriptions for the current year in advance. At the end of the year, 8 members had paid their subscriptions for the next year in advance, but 3 members had not yet paid their current year subscriptions.

Which figures are recorded in the current year?

	income and expenditure account \$	receipts and payments account \$
<b>A</b>	44 160	45 600
<b>B</b>	45 600	44 160
<b>C</b>	45 600	41 760
<b>D</b>	41 760	45 600

- 19 The following financial information was provided at 31 December 2012.

	\$
purchases	95 000
returns inwards	3 300
returns outwards	2 100
inventory withdrawn for personal use	5 000

Inventory on 31 December 2012 was valued at \$1000 more than on 1 January 2012.

What was the cost of sales?

- A** \$85 700      **B** \$86 900      **C** \$89 000      **D** \$97 100