

- 15** Annie and Bernie have been in partnership for some years, sharing profits and losses in the ratio 2:1.

On 1 January 2020, they decided to introduce interest on drawings. The annual interest on drawings for the year ended 31 December 2020 was \$1300 for Annie and \$800 for Bernie.

Which effect did this change have on the balance on Annie's current account at 31 December 2020?

- A** decrease of \$100
- B** decrease of \$500
- C** increase of \$100
- D** increase of \$500

- 16** The total of shareholders' equity at 31 December 2019 was \$45 500.

During the year ended 31 December 2020, the following took place.

- 1 An issue of 10 000 ordinary shares of \$1 each at a premium of \$0.25 was made.
- 2 A bonus issue of 5000 shares of \$1 each was made.
- 3 Buildings were revalued from \$250 000 to \$265 000.
- 4 The profit for the year was \$20 400.
- 5 There was a transfer to the general reserve of \$6000.
- 6 The directors proposed a final dividend of \$8000.

What was the balance of the shareholders' equity at 31 December 2020?

- A** \$85 400 **B** \$87 400 **C** \$93 400 **D** \$98 400

- 17** The following relates to a limited company during a year.

	\$
repayment of a debenture	200 000
receipt from issue of ordinary shares	500 000
non-current assets purchased by cheque	300 000
net book value of disposals	50 000
disposal proceeds	60 000
revaluation surplus	20 000

What was the total net cash inflow arising from these?

- A** \$60 000 **B** \$70 000 **C** \$80 000 **D** \$110 000