

- 15** S and T are in partnership, sharing profits and losses in the ratio 2:1. The balances on their capital accounts at 31 March 2017 were:

| | \$ |
|-------------------|--------|
| capital account S | 40 000 |
| capital account T | 20 000 |
| | 60 000 |

On 1 April 2017 the partners decide to change the profit-sharing ratio to 3:2. Goodwill is to be valued at \$30 000 and is not to be retained in the books of account.

What is the new balance of T's capital account?

- A** \$18 000 **B** \$20 000 **C** \$22 000 **D** \$30 000

- 16** A partnership provides the following financial information for the year ended 30 June 2017.

| | \$ |
|------------------------|---------|
| profit from operations | 240 000 |
| bank interest payable | 21 000 |
| interest on capital | 15 000 |
| drawings | 50 000 |
| partnership salaries | 45 000 |

What is the residual balance of profits to be appropriated between the partners?

- A** \$109 000 **B** \$154 000 **C** \$159 000 **D** \$204 000

- 17** Which accounting entry could record the issue of bonus shares?

| | debit | credit |
|----------|-----------------|-----------------|
| A | bank | share capital |
| B | general reserve | share capital |
| C | general reserve | share premium |
| D | share capital | general reserve |