

**12** The following information is available for the year ended 31 December 2016.

	\$
revenue	75 000
purchases	32 000
carriage inwards	5 400
carriage outwards	4 500
inventory at 1 January 2016	6 300
inventory at 31 December 2016	7 600

What was the gross profit for the year ended 31 December 2016?

- A** \$36 300      **B** \$37 200      **C** \$38 900      **D** \$39 800

**13** A partnership maintains capital accounts and current accounts.

Which statements are correct?

- 1 The capital accounts show the total amount owed to each partner.
- 2 The capital accounts represent the retained earnings of the business.
- 3 The capital and current accounts equal the net assets.

- A** 1 and 2      **B** 1 and 3      **C** 2 only      **D** 3 only

**14** X, Y and Z had been in partnership, sharing profits and losses in the ratio of 2:2:1.

On 1 January 2017, Y retired. The balances of his capital and current accounts were as shown.

capital account	current account
\$50 000	\$6400 debit

Y took over a motor van at an agreed value of \$3800. The net book value of the motor van was \$4800.

Goodwill was valued at \$30 000.

The value of all other assets at 1 January 2017 would remain unchanged.

How much cash was Y entitled to when he retired?

- A** \$51 400      **B** \$51 800      **C** \$55 200      **D** \$64 200