

**16** A company's statement of financial position shows the following balances.

	\$
ordinary shares of \$1 each	100 000
share premium	10 000
retained earnings	48 000
bank (debit)	50 000

A bonus issue of one ordinary share for every four ordinary shares held takes place. Reserves are kept in their most flexible form.

What are the new account balances?

	share premium \$	retained earnings \$	bank (debit) \$
<b>A</b>	nil	33 000	50 000
<b>B</b>	nil	33 000	75 000
<b>C</b>	10 000	23 000	50 000
<b>D</b>	10 000	23 000	75 000

**17** What are shown in the statement of changes in equity?

- A** bonus issue, debenture interest paid, profit for the year
- B** bonus issue, dividends proposed, loss for the year
- C** rights issue, dividends paid, profit for the year
- D** rights issue, debenture interest paid, loss for the year

**18** The following information is available for a limited company at 31 December 2020.

	\$
non-current assets	200 000
shareholders' equity	170 000
5% debentures (2028)	40 000
bank loan	150 000

The bank loan is repayable in five annual equal instalments with the first payment due on 1 June 2021.

What was the total working capital at 31 December 2020?

- A** \$120 000
- B** \$130 000
- C** \$160 000
- D** \$190 000