

- 16** A partnership provides the following financial information for the year ended 30 June 2011.

| | \$000 |
|---------------------------------------|-------|
| profit from operations | 240 |
| bank interest payable | 21 |
| interest credited to current accounts | 15 |
| drawings | 100 |
| partnership salaries | 95 |

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

- A** \$9000 **B** \$104 000 **C** \$109 000 **D** \$204 000
- 17** A new business was established with opening capital of \$20 000.
- At the end of the first year, assets less liabilities were \$26 000. The owner withdrew \$7000 as drawings during the year and this resulted in a bank overdraft of \$5000 at the end of the year.
- What was the profit during the first year?
- A** \$8000 **B** \$12 000 **C** \$13 000 **D** \$18 000
- 18** The annual accounts of a business include the following.

| | \$ |
|-------------------|---------|
| revenue | 160 000 |
| opening inventory | 10 000 |
| closing inventory | 14 000 |

Inventory turnover is 10 times.

What is the gross profit?

- A** \$20 000 **B** \$40 000 **C** \$60 000 **D** \$120 000