

15 Which items would affect a sole trader's gross profit?

- 1 carriage inwards
- 2 cash discounts allowed
- 3 commission received
- 4 trade discounts received

A 1 and 4 **B** 1 only **C** 2 and 3 **D** 2 and 4

16 John and Mary are in partnership. After the first year of operation, the current accounts of both partners had a debit balance.

What might have caused the debit balances?

- 1 drawings
- 2 loss for the year
- 3 salaries they are entitled to

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

17 The following information is available for a partnership at the end of the financial year.

	\$
residual loss	3 000
total salaries to partners	5 000
total interest on capital	27 000
total drawings	14 000
total interest on drawings	700

How much was the profit for the year?

A \$14 300 **B** \$20 300 **C** \$28 300 **D** \$34 300

18 A limited company intends to issue shares at a price above the par value.

Which items, apart from the bank balance, will be affected by the share issue?

- A** share capital, capital reserves and revenue reserves
- B** share capital and capital reserves only
- C** share capital and revenue reserves only
- D** share capital only