

17 A company paid an ordinary share dividend of \$15 000 in the year.

Where would it appear in the financial statements?

- A** as a finance cost in the income statement
- B** as an administrative expense in the income statement
- C** under retained earnings in the statement of changes in equity
- D** under share capital in the statement of changes in equity

18 The equity of a limited company is shown.

	start of the year \$	end of the year \$
ordinary shares of \$1 each	200 000	250 000
retained earnings	77 000	112 000
total equity	277 000	362 000

During the year the following transactions took place.

- 1 A bonus issue of one ordinary share for every four ordinary shares held was made.
- 2 Debenture interest of \$18 000 was paid.
- 3 An interim dividend of \$22 000 was paid.

What was the profit for the year?

- A** \$57 000 **B** \$107 000 **C** \$125 000 **D** \$157 000

19 The following information is available.

sales	\$250 000
purchases	\$120 000
average inventory	\$20 000
mark-up	25%

What is the rate of inventory turnover?

- A** 6.0 times
- B** 9.4 times
- C** 10.0 times
- D** 12.5 times