

**14** L and M are business partners sharing profits and losses in the ratio 2 : 1.

On 31 December 2018, their capital and current accounts showed the following credit balances.

	L \$	M \$
capital account	200 000	100 000
current account	40 000	30 000

At 1 January 2019, M transferred his private motor vehicle to the partnership. This motor vehicle originally cost \$15 000. Its current market value is \$8000.

Both partners made drawings of \$20 000 each.

What was the total of each partner's capital and current accounts after the changes?

	L		M	
	capital account \$	current account \$	capital account \$	current account \$
<b>A</b>	180 000	40 000	88 000	30 000
<b>B</b>	200 000	20 000	100 000	18 000
<b>C</b>	200 000	20 000	108 000	10 000
<b>D</b>	200 000	20 000	115 000	10 000

**15** Which items may be recorded in a Statement of Changes in Equity?

- 1 issue of debentures
- 2 profit for the year
- 3 proposed dividends

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