

- 9 A company's trial balance includes a Suspense account. It was found that the only errors were discounts received of \$240 and discounts allowed of \$312, which had both been entered on the incorrect sides of the respective ledger accounts.

What is the double entry required to clear the Suspense account balance?

	account	DR \$	CR \$
A	Discounts Allowed Discounts Received Suspense	312	240 72
B	Discounts Received Suspense Discounts Allowed	240 72	312
C	Discounts Allowed Discounts Received Suspense	624	480 144
D	Discounts Received Suspense Discounts Allowed	480 144	624

- 10 X, Y and Z are in partnership, sharing profits in the ratio 2 : 2 : 1. X is allowed an annual salary of \$10 000. Y has made a loan to the partnership on which the partnership pays interest of \$5000 each year. Profit for the year before appropriations is \$150 000.

What is Z's total appropriation of profit for the year?

- A** \$27 000 **B** \$28 000 **C** \$29 000 **D** \$30 000

- 11 In the absence of a partnership agreement the partners claim that they are:

1	entitled to interest on the capitals at the rate of 5 % per annum
2	entitled to interest on loans to the firm at 5 % per annum
3	entitled to interest on loans to the firm at 10 % per annum
4	not entitled to interest on capitals
5	not entitled to interest on loans to the firm

Which claims are correct?

- A** 1 and 2 **B** 2 and 4 **C** 3 and 4 **D** 4 and 5