

- 15** The owner of a business does not keep a full set of accounting records for his business.

The following information is available about assets and liabilities.

	current year end \$	previous year end \$
inventory	19 200	17 500
trade receivables	31 200	22 400
trade payables	14 300	16 600

All purchases and sales are on credit.

During the current year:

- 1 The business received \$168 000 from customers after allowing them a discount of \$3400.
- 2 The business paid \$74 000 to suppliers for inventory. No discounts were received.
- 3 The owner took inventory of \$3200 for personal use.

What was the gross profit for the current year?

- A** \$110 000 **B** \$110 200 **C** \$111 700 **D** \$113 400

- 16** A partnership agreement includes the following provisions.

- 1 interest on capital
- 2 interest on drawings
- 3 interest on partners' loans

Which provisions will result in entries in the partnership's appropriation account?

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

- 17** The partnership agreement of X and Y stated that interest on capital should be calculated at the rate of 10% per annum.

At the beginning of the year on 1 January, the balances on X's accounts were: capital \$50 000, current \$2000 debit.

On 1 July, X contributed additional capital of \$20 000.

On 31 December, the balance on X's current account was \$20 500 credit. He had made no drawings.

What was X's share of the residual profit for the year?

- A** \$12 500 **B** \$15 500 **C** \$16 500 **D** \$17 500