

- 11** A business provided the following information about telephone expenses for the year ended 31 December 2018.

	\$
prepaid at 1 January 2018	975
accrued at 1 January 2018	650
bank payments during the year	4875
prepaid at 31 December 2018	1175
accrued at 31 December 2018	545

What was the telephone expense to be included in the income statement for the year ended 31 December 2018?

- A** \$3920      **B** \$4570      **C** \$5180      **D** \$5830

- 12** L and M are in partnership.

Which item should appear in the partnership appropriation account?

- A** additional capital contributed by M  
**B** cash drawings of L and M during the year  
**C** salary due to L  
**D** salary paid to M's sister

- 13** X and Y had been in partnership sharing profits and losses equally.

On 1 July 2018, Z was admitted as partner and the three partners shared profits and losses equally.

On that date assets were revalued and there was a profit on revaluation, \$36 000.

What were the accounting entries to record the profit on revaluation?

- A** credit X current account \$18 000, credit Y current account \$18 000  
**B** credit X current account \$12 000, credit Y current account \$12 000, credit Z current account \$12 000  
**C** credit X capital account \$18 000, credit Y capital account \$18 000  
**D** credit X capital account \$12 000, credit Y capital account \$12 000, credit Z capital account \$12 000