

15 The following balances are extracted from the books of Juno Limited.

	30 April 2014 \$	30 April 2013 \$
ordinary shares of \$0.50 each	700 000	500 000
share premium	90 000	50 000

How many ordinary shares have been issued during the year ended 30 April 2014?

- A** 200 000 **B** 240 000 **C** 400 000 **D** 480 000

16 A company issues 1 000 000 ordinary shares of \$1 each at a premium of 20%.

Which value will be shown for ordinary shares in the statement of financial position?

- A** \$200 000 **B** \$800 000 **C** \$1 000 000 **D** \$1 200 000

17 Which items increase when a company issues new shares?

- A** equity and bank
B equity and current liabilities
C intangible assets and current liabilities
D intangible assets and equity

18 A business has the following information for the past two financial years.

year 1: average inventory \$100 000; revenue \$800 000; gross margin 25%.

year 2: average inventory \$140 000; revenue \$1 200 000; gross margin 30%

What is the inventory turnover in year 2?

- A** 37 days **B** 43 days **C** 52 days **D** 61 days

19 The draft accounts of a business for the year ended 30 June 2013 include the following:

	\$
revenue	280 000
gross profit	60 000

It was subsequently discovered that the closing inventory was understated by \$10 000.

What was the gross profit percentage after correcting this error?

- A** 17.9% **B** 20.7% **C** 21.4% **D** 25.0%