

**13** P and Q were in partnership, sharing profits and losses equally. R was admitted to the partnership. The terms of R's admission were as follows.

- 1 R introduced capital of \$20 000 cash and a vehicle valued at \$6000.
- 2 Non-current assets were revalued upwards by \$14 000.
- 3 Goodwill was valued at \$10 000, but will not be retained in the books of account.
- 4 The new future profit-sharing ratio will be P, Q, R, 2 : 2 : 1.

What was the opening balance on R's capital account?

- A** \$21 200      **B** \$24 000      **C** \$28 000      **D** \$28 800

**14** H and D are in partnership. They are charged 5% interest on their annual drawings.

Their appropriation account for the year ended 30 April 2021 showed the following.

	H \$	D \$
interest on drawings	2 080	1 520
interest on capital	2 000	1 000
salaries	20 000	15 000
share of profits	63 000	42 000

On 1 May 2020 the balance on H's current account was \$3300 debit.

What was the credit balance on H's current account on 30 April 2021?

- A** \$38 020      **B** \$40 100      **C** \$79 620      **D** \$81 700

**15** L and M are in partnership. The following information about the partnership relates to 2020.

	\$
profit before appropriation	88 000
interest on drawings: L	1 000
M	1 000
interest on capital: L	3 000
M	1 000

Profits are shared in the same ratio as partners' capital account balances.

What is L's share of the residual profit?

- A** \$41 000      **B** \$43 000      **C** \$61 500      **D** \$64 500