

10 The table shows information about four partners in a partnership.

Which partner has the greatest net reward from interest on capital and interest on drawings?

	fixed capital \$	annual drawings \$
A	20 000	30 000
B	20 000	50 000
C	60 000	30 000
D	60 000	50 000

11 X and Y are in partnership sharing the profits equally. No goodwill account is maintained in the accounts. Z joins the partnership and pays \$30 000 cash for his share of the goodwill.

Profits are to be shared equally between X, Y and Z.

What are the increases in the capital accounts on the admission of Z into the partnership?

	capital accounts		
	X \$	Y \$	Z \$
A	10 000	10 000	10 000
B	—	—	30 000
C	15 000	15 000	—
D	—	—	—

12 Which statements about non-profit making organisations are correct?

- 1 A club or society may engage in trading activities.
- 2 A club or society may suffer bad debts.
- 3 Subscriptions are credited to the income and expenditure account in the year in which they are received.
- 4 The term 'excess of expenditure over income' replaces 'profit for the year'.

A 1 and 2

B 1 and 4

C 2 and 3

D 3 and 4