

**10** Which item incorrectly applies the matching principle?

- A** capitalising staff expertise and writing it off over the working life of the staff
- B** including a value for unused stationery in statement of financial position
- C** providing for doubtful debts in the year the sales took place
- D** recording telephone costs incurred but not yet billed

**11** The following information has been taken from a summarised statement of financial position.

	\$
non-current assets	175 000
current assets	45 000
current liabilities	?
100 000 ordinary shares of \$1 each	100 000
share premium	65 000
retained earnings	35 000

What is the value of the current liabilities?

- A** \$20 000
- B** \$55 000
- C** \$70 000
- D** \$120 000

**12** A trader buys and sells two products for cash. The following information is available.

	product X \$	product Y \$
carriage outwards	3 700	–
goods taken for own use at cost	–	2 500
payments to suppliers	44 500	38 200
discount received	900	–

What is the total value of ordinary goods purchased?

- A** \$80 200
- B** \$81 100
- C** \$83 600
- D** \$84 800