10 A business provides the following information.

	year 1 \$	year 2 \$
profit for the year	30 000	40 000
cost of goods sold	240 000	320 000

The owner then discovers that at the end of year 1 the value of inventory was overstated by \$2000.

What are the correct profits for the year and cost of goods sold figures?

	year 1		year 2	
	profit for the year \$	cost of goods sold \$	profit for the year \$	cost of goods sold \$
Α	28 000	238 000	42 000	322 000
В	28 000	242 000	40 000	320 000
С	28 000	242 000	42 000	318 000
D	32000	238 000	38 000	318 000

11 Sam was unable to conduct a physical count of inventory at 31 December 2016.

On 3 January 2017 inventory had been sold to Abdul for \$11950. The cost price of this inventory had been \$9560.

On 4 January 2017 inventory had been returned by Sita. It had been sold for \$2390. The cost price of this inventory was \$1912.

Sam valued his inventory at 5 January 2017 at cost, \$59750.

What was the value of inventory at 31 December 2016?

- **A** \$50 190
- **B** \$52012
- **C** \$67398
- **D** \$69310

12 Which item is **not** taken into account when a partner joins a partnership?

- A balances on the partners' current accounts
- B capital introduced by the new partner
- **C** changes in the profit sharing ratio
- **D** goodwill