

- 9** An analysis of a business's record of inventory for an item shows the following:

On 1 January the business had an inventory of 100 units at a cost of \$10 each.

	units purchased	units sold
February		50 units
March	60 units at \$11 each	
April	70 units at \$12 each	100 units
May		30 units

All sales are made at \$13 per unit. The business values its inventory on a FIFO basis.

What is the value of the inventory at the end of May?

- A** \$500                      **B** \$550                      **C** \$600                      **D** \$650

- 10** X, Y and Z are in partnership, sharing profits in the ratio 2:2:1. X is allowed an annual salary of \$10 000. Y has made a loan to the partnership on which the partnership pays interest of \$5000 each year. Profit for the year before appropriations is \$150 000.

What is Z's total appropriation of profit for the year?

- A** \$27 000      **B** \$28 000      **C** \$29 000      **D** \$30 000

- 11** There are 75 members of a tennis club, paying an annual subscription of \$95 each.

The treasurer has provided the following information for the year.

	\$
subscriptions received	7 305
overheads: tennis balls - purchased	850
- opening inventory	110
- closing inventory	95
other overheads	4 700

How much surplus will the club's income and expenditure account for the year show?

- A** \$1560      **B** \$1670      **C** \$1740      **D** \$1850