

- 9 At 31 December 2010 a business provides the following information.

	\$
balance per cash book (bank column)	790 credit
balance per the bank statement	800 debit
unpresented cheques	30

The only other reconciling item between the cash book and the bank statement is bank charges recorded on the bank statement but not in the cash book.

How much are the bank charges?

- A** \$10 **B** \$20 **C** \$30 **D** \$40
- 10 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
- 11 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