

**9** Why does a trader account for accrued income?

- A** so that current liabilities are not overstated
- B** so that current liabilities are not understated
- C** so that profit is not overstated
- D** so that profit is not understated

**10** A sole trader provided the following financial information for the year ended 31 December 2018.

	\$
purchases	95 000
returns inwards	3 300
returns outwards	2 100
inventory withdrawn for personal use	5 000

Inventory on 31 December 2018 was valued at \$1000 more than on 1 January 2018.

What was the cost of sales?

- A** \$85 700      **B** \$86 900      **C** \$89 000      **D** \$97 100

**11** A trader has suffered inventory losses due to theft during the year.

What is necessary to calculate the value of the inventory stolen?

- 1 amounts banked for sales and spent on purchases
- 2 amounts spent for business expenses
- 3 inventory at the beginning and end of the year
- 4 percentage of mark-up on purchase price

- A** 1, 2 and 3      **B** 1, 2 and 4      **C** 1, 3 and 4      **D** 2, 3 and 4