**2021 Tsun Jin High School Paper 2 Question 3A**

Pang sold goods at a uniform profit of % on cost to obtain the selling price. On 10 March 2021, there was a fire which damaged a quantity of his inventory.

Pang needs to identify the amount of the inventory loss for an insurance claim.

The following information relating to the date was as follows:

|  |  |
| --- | --- |
|  | **RM** |
| Sales (all items despatched) | 21,000 |
| Goods returned by customers | 600 |
| Closing inventory, 28 February 2021 | 3,300 |
| Trade Payables, 1 March 2021 | 1,500 |
| Trade Payables, 10 March 2021 | 1,100 |
| Goods returned to suppliers | 400 |
| Payments to creditors (originally made by cheque) | 18,000 |

Certain inventory was saved from the fire and could be sold for RM 600.

**You are required to:**

1. show a statement of claim for inventory destroyed in the fire to date;
2. Based on the above inventory loss, how do you interpret by receiving an amount of RM 2,000 as compensation. Explain briefly.