



ERRATA

MATHEMATICS FOR AUSTRALIA 12

Essential Mathematics

First edition - 2016 initial print

The following erratum was made on 20/Sep/2017

page 176 **SECTION 8F** should mention:

The **expenses** of a business are the costs it has to pay. These include:

- cost of goods sold • wages • rent • insurance
- depreciation • rates and taxes • advertising and promotion

Capital items, such as purchase of a delivery van, are not included on the profit and loss statement, but depreciation should be listed as an expense.

If revenue is greater than expenses, the business has made a **profit**. If revenue is less than expenses, the business has made a **loss**.

The following errata were made on 13/Jun/2017

page 393 **ANSWERS EXERCISE 8F** question **3 a** should not include expense - Purchase of hotplate \$6700:

| | | | |
|---|-----------------|------------------|--|
| 3 a Hannah's Restaurant | | | |
| Profit and Loss Statement for year ended 30 June | | | |
| Sales Revenue | | \$243 500 | |
| Less - Cost of goods sold | | | |
| Opening stock | \$2315 | | |
| Plus - Purchases | <u>\$43 100</u> | | |
| Goods available for sale | \$45 415 | | |
| Less - Closing stock | <u>(\$3700)</u> | | |
| | \$41 715 | (\$41 715) | |
| Gross Profit | | \$201 785 | |
| Less - Other Expenses | | | |
| Wages and salaries | \$57 500 | | |
| Insurance payments | \$340 | | |
| Telephone | \$475 | | |
| Electricity | \$845 | | |
| Council rates | \$610 | | |
| Rent | \$5200 | | |
| Advertising | \$8620 | | |
| Depreciation of hotplate | <u>\$2010</u> | | |
| | \$75 600 | (\$75 600) | |
| Net Profit | | <u>\$126 185</u> | |

4 a Adele's Café

Profit and Loss Statement for year ended 30 June

| | | |
|----------------------------------|-----------------|-------------------|
| Sales Revenue | | \$228 000 |
| <i>Less - Cost of goods sold</i> | | |
| Opening stock | \$4000 | |
| <i>Plus - Purchases</i> | <u>\$92 000</u> | |
| Goods available for sale | \$96 000 | |
| <i>Less - Closing stock</i> | <u>(\$3500)</u> | |
| | \$92 500 | <u>(\$92 500)</u> |
| <i>Gross Profit</i> | | \$135 500 |
| <i>Less - Other Expenses</i> | | |
| Wages | \$44 600 | |
| Rent paid | \$8500 | |
| Workers compensation insurance | \$2500 | |
| Council rates and taxes | \$2800 | |
| Electricity | \$850 | |
| Bank charges | \$600 | |
| Advertising | \$900 | |
| Depreciation of fridge | \$3750 | |
| Public liability insurance | <u>\$1650</u> | |
| | <u>\$66 150</u> | <u>(\$66 150)</u> |
| <i>Net Profit</i> | | <u>\$69 350</u> |