

17 Information about a business is given.

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production overheads	23 000
opening stock of raw materials	3 000
purchases of raw materials	35 000
closing stock of raw materials	2 000
production wages	33 000
production supervisor's salary	2 000

What is the prime cost?

- A** \$69 000      **B** \$71 000      **C** \$92 000      **D** \$94 000

18 A manufacturing company calculates factory profit at 20 % of cost of production. The following information is available.

	Balance Sheet as at 31 December 2001 \$	Manufacturing account for the year ended 31 December 2002 \$	Trading Account for the year ended 31 December 2002 \$
stock of finished goods	40 000	-	-
cost of goods produced	-	240 000	-
closing stock of finished goods	-	-	54 000

How much will be credited in the Profit and Loss Account for the year ended 31 December 2002 as factory profit?

- A** \$39 000      **B** \$40 000      **C** \$47 000      **D** \$48 000

19 An extract from a company's Balance Sheet is given.

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Ordinary share capital	50 000
General reserve	10 000
Profit and Loss Account	4 000
10 % debentures	20 000

What are the ordinary shareholders' funds?

- A** \$50 000      **B** \$54 000      **C** \$64 000      **D** \$80 000