

- 1 The following information is taken from a trader's statement of financial position.

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non-current assets	80 000
capital at start of year	75 000
drawings	16 000
profit for the year	13 000
non-current liability	6 000
current assets	12 700

What is the amount of trade payables?

- A** \$8700 **B** \$11700 **C** \$14700 **D** \$26700

- 2 A business wishes to create a new provision for doubtful debts.

Which effect will this have in the financial statements of the business?

	in the income statement	in the statement of financial position
A	increase profit	increase current assets
B	increase profit	reduce current liabilities
C	reduce profit	increase current liabilities
D	reduce profit	reduce current assets

- 3 Anna owns a plumbing business. Costs for the year were \$49 500 for wages and \$95 000 for materials. These included \$2200 labour and \$540 materials used by Anna in the extension of the business premises. Additional planning and legal costs of the extension were \$450.

What was Anna's total revenue expenditure for the year?

- A** \$141 310 **B** \$141 760 **C** \$142 300 **D** \$144 500

- 4 A building cost \$340 000. The accumulated depreciation on the building was \$47 600. It was decided to revalue the building to its market value of \$560 000.

What is the balance on the revaluation reserve?

- A** \$172 400 **B** \$220 000 **C** \$267 600 **D** \$512 400