

**12** Which transaction would increase the current assets of a business?

- A** paying invoices \$950, after receiving \$50 cash discount
- B** purchasing a machine on credit for \$1200
- C** purchasing inventory for \$1100 cash and selling it on credit for \$1500
- D** selling inventory with an original cost of \$800 at below cost price

**13** The following summarised information has been taken from the balance sheet of a partnership.

|                          | \$     |
|--------------------------|--------|
| non-current assets       | 42 000 |
| capital accounts         | 36 000 |
| current accounts (debit) | 5 000  |
| current liabilities      | 7 000  |
| non-current liabilities  | 15 000 |

What is the amount of current assets?

- A** \$6000      **B** \$11 000      **C** \$17 000      **D** \$21 000

**14** What is the main use of a computerised age analysis of debtors?

- A** aid debt collection procedures
- B** match sales invoices against orders
- C** reconcile sales ledger balances
- D** show credit notes issued

**15** A manufacturing company has the following balances at its year end.

|                                    | \$      |
|------------------------------------|---------|
| closing inventory of raw materials | 24 500  |
| direct manufacturing wages         | 162 800 |
| purchases of raw materials         | 85 200  |
| supervisors' wages                 | 44 000  |
| opening inventory of raw materials | 27 800  |

What is the prime cost for the year?

- A** \$244 700      **B** \$248 000      **C** \$251 300      **D** \$295 300