

- 12** A businessman marks up his cost of sales by 50 %. At the end of his trading year the following data is available.

	\$
opening inventory	5 000
closing inventory	4 000
ordinary goods purchased	35 000

What is his sales figure for the year?

- A** \$51 000 **B** \$52 500 **C** \$54 000 **D** \$66 000
- 13** The financial year of a manufacturer ends on 31 December. Finished goods are valued at factory cost plus 20 %.

The following information is available:

	1 January \$	31 December \$
inventory of finished goods	2400	3000

What is the amount to be deducted for the provision for unrealised profit in the income statement?

- A** \$100 **B** \$120 **C** \$500 **D** \$600
- 14** The following information relates to the non-current assets of a business formed three years ago.

	\$
cost at start of year 1	10 000
accumulated depreciation at end of year 3	6 000
profit for year 3	18 000

Depreciation has been consistently charged using the straight line method.

What would the profit be in year 3 if the method of depreciation for that year is changed to the reducing balance method at a rate of 25 %?

- A** \$16 500 **B** \$17 500 **C** \$18 500 **D** \$19 000