

- 13** A business sells goods at cost plus 25 %.

Information for a year is shown.

	\$
revenue	240 000
opening inventory	42 000
closing inventory	48 000

What is the total of purchases for the year?

- A** \$180 000 **B** \$186 000 **C** \$192 000 **D** \$198 000
- 14** The inventory records of a business show the following information for product X.

		units	cost per unit \$
1 January	opening balance	100	3
3 January	receipts into inventory	50	4
8 January	inventory issued	120	—

What is the value of the inventory issued on 8 January using the first in first out (FIFO) method?

- A** \$360 **B** \$380 **C** \$410 **D** \$420
- 15** A company has an issued share capital of 200 000 6% cumulative preference shares of \$1 each fully paid and 800 000 ordinary shares of \$1 each fully paid.

Assuming that the company earns no profit in the year, which statement is correct?

- A** Both preference and ordinary shares are paid a dividend in the year.
- B** The unpaid dividends for both preference and ordinary shares are carried forward to a future year.
- C** The unpaid preference dividend is carried forward to a future year.
- D** The preference shares are paid a total dividend of \$12 000 in the year.