

- 8 The statement of the financial position of a company shows the following:

	\$
tangible non-current assets	20 600
intangible non-current assets	5 700
trade receivables	8 600
trade payables	3 200
loan repayable in three years	4 000
bank balance	5 200 credit
inventory	6 900

What is total working capital?

- A** \$3100      **B** \$7100      **C** \$17 500      **D** \$29 400
- 9 An inexperienced bookkeeper calculated a draft profit for the year ended 31 December 2015 of \$578 500. He had not accounted for the following:

	1 January 2015 \$	31 December 2015 \$
provision for doubtful debts	12 800	11 300
provision for depreciation	95 000	126 200

What was the revised profit for the year?

- A** \$441 000      **B** \$463 600      **C** \$545 800      **D** \$548 800
- 10 A computer used for demonstration to customers was treated as capital expenditure.  
At the end of the year a customer purchased the computer in the ordinary course of business.  
Which entries are needed to adjust the cost of sales?

	account to be debited	account to be credited
<b>A</b>	inventory	demonstration equipment
<b>B</b>	purchases	demonstration equipment
<b>C</b>	sales	inventory
<b>D</b>	selling expenses	sales