

15 DEC Limited has produced the following information for the current financial year.

	department X \$	department Y \$
revenue	54 000	26 000
cost of sales	23 700	16 600
gross profit	30 300	9 400

The rent and insurance of buildings total is \$13 000. Heating and lighting total is \$12 500.

The floor area occupied by each department: X 60%, Y 40%.

What is the profit or loss for the year for department Y?

- A** \$800 loss
- B** \$5900 loss
- C** \$15 000 profit
- D** \$20 100 profit

16 A business bought and sold the following items of inventory.

month	details	units	cost per unit \$
January	purchased	30	2.00
February	purchased	20	2.50
March	sold	10	—

It uses the AVCO method of inventory valuation.

What was the value of inventory at the end of March?

- A** \$20
- B** \$22
- C** \$88
- D** \$90