

- 4 A business provides the following information.

	trade receivables \$	provision for doubtful debts \$
31 December 2013	46 200	1386
31 December 2014	43 100	1724

Which statement must be correct?

- A The rate of provision for doubtful debts has decreased.
 - B The rate of provision for doubtful debts has increased.
 - C The value of bad debts incurred has decreased.
 - D The value of bad debts incurred has increased.
- 5 The following information relates to a manufacturing business.

	\$
factory overheads	590 000
prime cost	2 000 000
work in progress at start of year	83 000
work in progress at end of year	65 000

What was the cost of production?

- A \$1 392 000 B \$1 428 000 C \$2 572 000 D \$2 608 000
- 6 A summary of a trader's bank statements for his first year of trading showed the following amounts.

	\$
receipts from credit customers	25 000
takings from cash sales banked	82 000

The trader took \$2000 a month from takings as drawings before banking them. Trade receivables at the year end amounted to \$9500.

What was total revenue for the year?

- A \$73 500 B \$92 500 C \$121 500 D \$140 500