

- 1 On 31 March 2012 the following balances were extracted from the books of YCAT.

		\$
Inventory – 1 April 2011	Raw materials	53 000
	Work in progress	80 000
	Finished goods	76 000
Raw materials purchased		800 000
Revenue		2 500 000
Direct wages		450 000
Carriage inwards on raw materials		6 000
Indirect wages		68 000
Returns outwards on raw materials		18 500
Trade receivables		83 000
Revenue returns		22 000
Rates and insurance		38 000
General factory overheads		93 000
Loan interest paid		5 000
Office salaries		80 000
General office expenses		100 000
Premises		600 000
Factory machinery at cost		220 000
Provision for depreciation of factory machinery		40 000
10% Long term loan		100 000
Provision for doubtful debts		3 800

### Additional information

- |   |                           | \$     |
|---|---------------------------|--------|
| 1 | Inventory – 31 March 2012 |        |
|   | Raw materials             | 47 000 |
|   | Work in progress          | 92 000 |
|   | Finished goods            | 68 000 |
- The provision for doubtful debts is to be 5% of trade receivables.
  - At 31 March 2012 rates and insurance owing amounted to \$950. Rates and insurance are apportioned between the factory and general office in the ratio of 4:1 respectively.
  - Depreciation is to be provided on premises at 5% per annum straight line. This is apportioned between the factory and general office in the ratio of 4:1 respectively.
  - Depreciation on factory machinery is to be provided at 15% using the reducing balance method.

## REQUIRED

- (a)** Prepare the manufacturing account for the year ended 31 March 2012.

[illegible]



