

11 A trader provides the following financial information for the year.

	\$
direct costs	210 000
indirect costs	55 000
increase in work in progress	7 000
raw materials taken for own use	2 000

Which figures should appear in the manufacturing account?

	prime cost \$	overheads \$	transfer to trading account of income statement \$
A	208 000	55 000	256 000
B	208 000	55 000	270 000
C	210 000	53 000	256 000
D	210 000	53 000	270 000

12 Which item appears in a company's income statement?

- A** dividends
- B** inventory
- C** trade payables
- D** transfer to reserves

13 The table shows the following balances for a business.

	start of year \$	end of year \$
inventory	6 000	9 000
trade payables	8 000	10 000

Total payments to trade payables were \$20 000.

What is the cost of sales for the year?

- A** \$15 000
- B** \$19 000
- C** \$21 000
- D** \$25 000