

Ex 1

Db	Stock	40,000
Cr	AP	40,000
Db	AP (debit note)	5,000
Cr	Discount received	5,000

Ex 2

Cost	495
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Ex 3

ford
rover
renault
toyota

cost	NRV
2,300	3,140
4,500	3,900
600	750
6,800	8,900
<u>14,200</u>	<u>16,690</u>

Ex 4

FIFO

	Units	Price	Cost	
Purchase	800	220	176,000	
Purchase	200	180	36,000	
Sale	900		194,000	(COS)
			18,000	Closing bal.

Average

	Units	Price	Cost	
Purchase	800	220	176,000	
Purchase	200	180	36,000	
Sale	900		190,800	(COS)
			20,618	Closing bal.

Ex 5

	Units	Unit cost	BV	
Raw materials	5,000	25	125,000	
WIP	2,000	30	60,000	
Finished products	1,000	35	32,000	see workings
			<u>217,000</u>	

ance

700

300

Ex 6

Total costs of A	98,000
Unit costs of A	19.6

ance**Ex 7**

Sales ratio of A	38%
Sales ratio of B	62%

Total costs of A	115,385
Unit costs of A	<u>23.08</u>

Total costs of B	184,615
Unit costs of B	<u>46.15</u>

Workings:

Cost (unit)	NRV (unit)	min	Total
35	45	35	24,500
35	25	25	<u>7,500</u>
			32,000