

**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
------	-----

**Ex 3**

ford  
rover  
renault  
toyota

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

**Ex 4**

FIFO

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

Average

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

**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