



Solution Question 1 - 2025 Q5




Using the information given on the invoice extract below, complete the three blank spaces.

| | € |
|-----------------------|----------------|
| Total (excluding VAT) | 25,000 |
| Trade Discount (10%) | 2,500 |
| Subtotal | 22,500 2m |
| VAT (23%) | 5,175 2m O.F. |
| Total (including VAT) | 27,675 2m O.F. |

Solution Question 2 - 2024 Q11

Place the following business documents in the correct order: (One is completed for you.)

Invoice, Quotation, Letter of Enquiry, Receipt

| | |
|----|---|
| 1. | Letter of Enquiry |
| |  |
| 2. | Quotation |
| |  |
| 3. | Invoice |
| |  |
| 4. | Receipt |





Solution Question 3 - 2023 Q3

Complete the following extract from a Credit Note issued by Monty Petcare Ltd.

| QUANTITY | DESCRIPTION | CODE | PRICE EACH € | TOTAL € |
|-------------------------|----------------------------|-----------------------|--------------|---------------------|
| 20 | Dog Kennels | DK100 | 100 | 2,000 |
| | Reason: Damaged in transit | | | |
| Carriage Paid E & OE | | Total (excluding VAT) | | 2,000 |
| | | Trade discount @ 10% | | 200 2m |
| | | Subtotal | | 1,800 1m O.F |
| | | VAT @ | | 414 2m O.F |
| | | 23% | | 2,214 1m O.F |

Solution Question 4 - 2019 Q5

| | € | |
|-----------------------|------------------|-----|
| Total (excluding VAT) | 25,000 | |
| Trade discount (12%) | <u>(3,000)</u> | [2] |
| Subtotal | 22,000 O.F | [1] |
| VAT (23%) | <u>5,060</u> O.F | [2] |
| Total (including VAT) | 27,060 O.F | [1] |

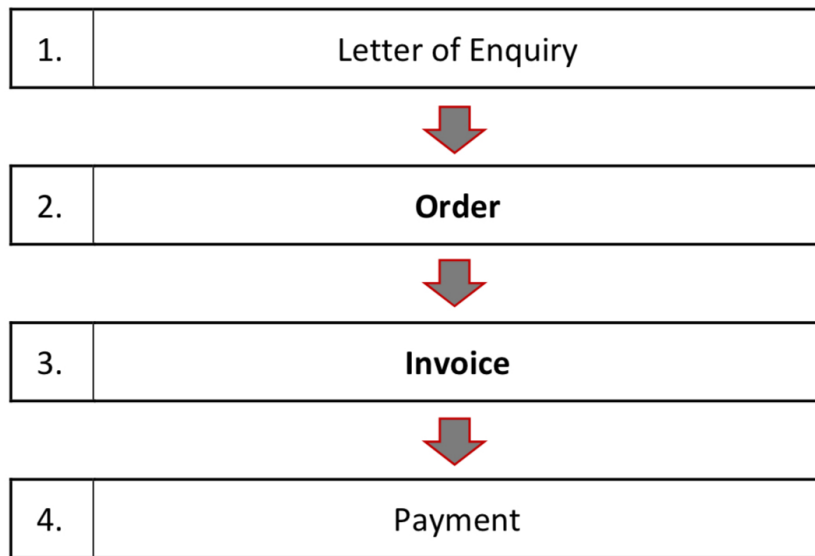




Solution Question 5 - 2022 Q12

Place the following business documents in the correct order: (Two are completed for you.)

Order, Payment, Letter of Enquiry, Invoice



Solution Question 6 - 2022 Q3

Using the information given on the invoice extract below, complete the three blank spaces.

| | € |
|-----------------------|---------------------|
| Total (excluding VAT) | 30,000 |
| Trade discount (10%) | 3,000 |
| Subtotal | 27,000 2m |
| VAT (23%) | 6,210 2m OF |
| Total (including VAT) | 33,210 2m OF |





Solution Question 7 - 2023 Q17 (c)(i)

- (c) Cupán Eco Ltd want to build a large extension to their premises.
- (i) Recommend a suitable source of finance that Cupán Eco Ltd could use to fund the expansion. Give a reason for your answer.

| |
|---|
| Suitable source of finance: Long Term loan/ Grant / Shares/ Reserves (2m) |
| Reason: (4m) |
| 1. Long-term Loan must have collateral/security and is over 5 years or no dilution of control. |
| 2. Apply for a Grant, this is a source of finance that doesn't have to be repaid but comes with conditions. |
| 3. Cupán Eco Ltd can raise €260,000 by issuing further shares. They would not have to pay interest on this source of finance. |
| 4. Cupán Eco could use its own reserves/retained earnings to help fund the expansion project. No collateral/security needed & they do not have to get a loan to fund expansion. |





Solution Question 8 - 2023 Q16 (c)(i)(ii)

(c) Mount Rangers GAA Club prepare a cash flow budget each year.

(i) Using the following information **complete** the cash flow budget below:

Estimated Expenditure:

- Purchases; June €172, July €58, August €135
 - New equipment; June €450
 - Administration costs; June €20, July €26, August €18
- (25m)**

| Mount Rangers Cash Flow Budget | | | | |
|---------------------------------------|---------------------|--------------------|-------------------|------------------------------|
| Details | June € | July € | August € | Total (June- August) € |
| Receipts | | | | |
| Grant | 250 | 250 | 250 | 750 |
| Fundraising | 150 | 350 | 250 | 750 |
| Total receipts | 400 | 600 | 500 | 1,500 |
| Payments | | | | |
| Purchases | 172 1m | 58 1m | 135 1m | 365 1m |
| New equipment | 450 1m | | | 450 1m |
| Administration | 20 1m | 26 1m | 18 1m | 64 1m |
| Total payments | 642 1m | 84 1m | 153 1m | 879 1m |
| Net cash | (242) 1m O.F | 516 1m O.F | 347 1m O.F | 621 1m O.F |
| Opening cash | 175 | (67) 1m O.F | 449 1m O.F | 175 1m |
| Closing cash | (67) 1m O.F | 449 1m O.F | 796 1m O.F | 796 1m |

(ii) Based on your above cash flow budget, what advice would you give to the club regarding their closing cash position in June? **(3m)**

| |
|---|
| Advice: Avoid a deficit at the end of June by staggering the payments for the new equipment over a number of months/ Get a bank overdraft/ |
| Plan an additional fundraising initiative for June/ Apply for new grants/ shop around for better deals/ |
| Delay/ Reduce/ Postpone payment for purchases in June/ Seek an appropriate credit period. |





Solution Question 9 - 2022 Q17 (c)(ii)

- (ii) Cadden Ltd are applying for a grant from the Sustainable Energy Authority of Ireland (SEAI) to help fund the Solar Panels.



Explain the term grant. **(6m)**

A grant is a sum of money given to an individual or business that does not have to be repaid as long as it is used for its intended purpose.

Grants are generally given by the Government, through Enterprise Ireland, Local Enterprise Offices, SEAI or the European Union.





Solution Question 10 - 2025 Q17 (a)

Question 17 (a) (i) Complete the Analysed Cash Book of Eat Right Ltd for the month of May in 2024 from the information provided below and balance the account. **19m** (Dates 1m Details 2m)

| Date | Transaction | Amount € | Workings if required |
|------------|--------------------------------------|------------------|----------------------|
| 01/05/2024 | Shareholders invested in the company | 17,500 | |
| 03/05/2024 | Purchased goods for resale | 9,000 + VAT@23% | |
| 05/05/2024 | Sold goods | 11,000 + VAT@23% | |
| 12/05/2024 | Paid wages | 3,000 | |
| 19/05/2024 | Paid electricity bill | 2,000 | |
| 26/05/2024 | Paid wages | 3,000 | |

| Analysed Cash Book of Eat Right Ltd | | | | | | | | | | | | |
|-------------------------------------|-------------|-----------|-----------|-------|---------|------|-------------|----------|-----------|-------|-------------|----------|
| Dr | | | | | | Cr | | | | | | |
| Date | Details | Bank | Sales | Vat | Capital | Date | Details | Bank | Purchases | VAT | Electricity | Wages |
| 2024 | | € | € | € | € | 2024 | | € | € | € | € | € |
| | | | | | 17,500 | | | 11,070 | | 2,070 | | |
| 1/5 | Capital | 17,500 1m | | | 1m | 3/5 | Purchases | O.F. | 9,000 1m | 1m | | |
| | | 13,530 1m | | 2,530 | | 12/5 | Wages | 3,000 1m | | | | 3,000 1m |
| 5/5 | Sales | O.F. | 11,000 1m | 1m | | 19/5 | Electricity | 2,000 1m | | | 2,000 1m | |
| | | | | | | 26/5 | Wages | 3,000 1m | | | | 3,000 1m |
| | | | | | | 31/5 | Balance c/d | O.F. | 11,960 1m | | | |
| | | 31,030 | 11,000 | 2,530 | 17,500 | | | 31,030 | 9,000 | 2,070 | 2,000 | 6,000 |
| 1/6 | Balance b/d | 11,960 1m | | | | | | | | | | |
| | | O.F. | | | | | | | | | | |

(ii) Post all relevant totals from the Analysed Cash Book of Eat Right Ltd to the ledger accounts below **18m** (Date 2m)

| Capital a/c 1m | | | | | |
|----------------|---------|-------|---------|-------------|-----------|
| Dr | | | Cr | | |
| Date | Details | Total | Date | Details | Total |
| | | | 31/5/24 | Bank / Cash | 17,500 1m |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Electricity a/c 1m | | | | | |
|--------------------|-------------|----------|------|---------|-------|
| Dr | | | Cr | | |
| Date | Details | Total | Date | Details | Total |
| 31/5/24 | Bank / Cash | 2,000 1m | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Sales a/c 1m | | | | | |
|--------------|---------|-------|---------|-------------|-----------|
| Dr | | | Cr | | |
| Date | Details | Total | Date | Details | Total |
| | | | 31/5/24 | Bank / Cash | 11,000 1m |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Wages a/c 1m | | | | | |
|--------------|-------------|----------|------|---------|-------|
| Dr | | | Cr | | |
| Date | Details | Total | Date | Details | Total |
| 31/5/24 | Bank / Cash | 6,000 2m | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Purchases a/c 1m | | | | | |
|------------------|-------------|----------|------|---------|-------|
| Dr | | | Cr | | |
| Date | Details | Total | Date | Details | Total |
| 31/5/24 | Bank / Cash | 9,000 1m | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| VAT a/c 1m | | | | | |
|------------|-------------|---------------|---------|-------------|---------------|
| Dr | | | Cr | | |
| Date | Details | Total | Date | Details | Total |
| 31/5/24 | Purchases | 2,070 1m O.F. | 31/5/24 | Sales | 2,530 1m O.F. |
| 31/5/24 | Balance c/d | 460 1m O.F. | | | |
| | | 2,530 | | | 2,530 |
| | | | 1/6/24 | Balance b/d | 460 1m O.F. |
| | | | | | |

(iii) Using the ledger balances complete the trial balance for Eat Right Ltd. **8m**

| Trial Balance of Eat Right Ltd as at 31 st May 2024 | | |
|--|----------------|----------------|
| | Dr | Cr |
| Capital | | 17,500 1m O.F. |
| Sales | | 11,000 1m O.F. |
| Purchases | 9,000 1m O.F. | |
| Electricity | 2,000 1m O.F. | |
| Wages | 6,000 1m O.F. | |
| VAT | | 460 1m O.F. |
| Bank | 11,960 1m O.F. | |
| | 28,960 O.F. | 28,960 O.F. |





Solution Question 12 - 2019 Q17 (a)

| Dr | | | | | | Analysed Cash Book of Food2Go Ltd | | | | | | | Cr |
|-------|-------------|------------|--------|-------|---------|-----------------------------------|-------------|------------|-----------|-----|-------|-------------|----|
| Date | Details | Bank | Sales | VAT | Capital | Date | Details | Bank | Purchases | VAT | Wages | Electricity | |
| 2019 | | € | € | € | € | 2019 | | € | € | € | € | € | |
| 01/05 | Capital | 21,500 | | | 21,500 | 06/05 | Wages | 3,000 | | | 3,000 | | |
| 04/05 | Sales | 13,620 O.F | 12,000 | 1,620 | | 15/05 | Purchases | 6,356 O.F | 5,600 | 756 | | | |
| | | | | | | 23/05 | Electricity | 670 | | | | 670 | |
| | | | | | | 27/05 | Wages | 2,850 | | | 2,850 | | |
| | | | | | | 31/05 | Balance c/d | 22,244 O.F | | | | | |
| | | 35,120 | 12,000 | 1,620 | 21,500 | | | 35,120 | 5,600 | 756 | 5,850 | 670 | |
| 01/06 | Balance b/d | 22,244 O.F | | | | | | | | | | | |

16 figures @ 1m (no marks for totals of columns) + 1m for date + 1m for details

(ii) Amount of money in the Food2Go Ltd bank account at the end of the month.

€22,244 O.F [3m]

(iii) Post all totals and balances from the analysed cash book of Food2Go Ltd to the relevant ledger accounts below.

Allow 1m for Dates

| Dr | | | | | | VAT a/c [1m] | | | Cr | | |
|----------|-------------|------------|----------|-------------|--------------|--------------|--|--|----|-------|--|
| Date | Details | Total | Date | Details | Total | | | | | | |
| 31/05/19 | Purchases | 756 O.F 1m | 31/05/19 | Sales | 1,620 O.F 1m | | | | | | |
| 31/05/19 | Balance c/d | 864 O.F 1m | | | | | | | | | |
| | | 1,620 | | | | | | | | 1,620 | |
| | | | 01/06/19 | Balance b/d | 864 O.F 1m | | | | | | |

| Dr | | | | | | Capital a/c [1m] | | | Cr | | |
|------|---------|-------|----------|-----------|-----------|------------------|--|--|----|--|--|
| Date | Details | Total | Date | Details | Total | | | | | | |
| | | | 31/05/19 | Bank/Cash | 21,500 1m | | | | | | |

| Dr | | | | | | Purchases a/c [1m] | | | Cr | | |
|----------|-----------|----------|------|---------|-------|--------------------|--|--|----|--|--|
| Date | Details | Total | Date | Details | Total | | | | | | |
| 31/05/19 | Bank/Cash | 5,600 1m | | | | | | | | | |

| Dr | | | | | | Electricity a/c [1m] | | | Cr | | |
|----------|-----------|--------|------|---------|-------|----------------------|--|--|----|--|--|
| Date | Details | Total | Date | Details | Total | | | | | | |
| 31/05/19 | Bank/Cash | 670 1m | | | | | | | | | |

| Dr | | | | | | Wages a/c [1m] | | | Cr | | |
|----------|-----------|----------|------|---------|-------|----------------|--|--|----|--|--|
| Date | Details | Total | Date | Details | Total | | | | | | |
| 31/05/19 | Bank/Cash | 5,850 4m | | | | | | | | | |

| Dr | | | | | | Sales a/c [1m] | | | Cr | | |
|------|---------|-------|----------|-----------|-----------|----------------|--|--|----|--|--|
| Date | Details | Total | Date | Details | Total | | | | | | |
| | | | 31/05/19 | Bank/Cash | 12,000 1m | | | | | | |





Solution Question 13 - 2023 Q7

Balance the following bank account and bring down the balance at the end of the month.

| Dr | | Bank Account | | Cr | |
|--------|-------------|--------------|---------|----------------|----------|
| Date | Details | Total | Date | Details | Total |
| 2023 | | € | 2023 | | € |
| May 1 | Balance b/d | 450 | May 9 | Wages | 465 |
| 16 | Cash sales | 640 | 23 | Cash purchases | 345 |
| | | | (1m) 31 | Balance c/d | 280 (1m) |
| | | | | O.F | |
| | | 1,090 | | | 1,090 |
| | | (1m) | | | (1m) |
| 1/6 1m | Balance b/d | 280 (1m) | | | |
| | | O.F | | | |

Solution Question 14 - 2022 Q9

On 31 March 2022, Marian Nowak, owner of Party Cosmetics Ltd, lodged cash sales of €5,200. There was no VAT on these sales. Post these transactions to the relevant ledger accounts below:

| Dr | | Sales a/c | | Cr | |
|------|---------|-----------|----------|-----------|-----------|
| Date | Details | Total (€) | Date | Details | Total (€) |
| | | | 31/03/22 | Bank/Cash | 5,200 |
| | | | (1m) | | (2m) |

| Dr | | Bank/Cash a/c | | Cr | |
|----------|------------|---------------|------|---------|-----------|
| Date | Details | Total (€) | Date | Details | Total (€) |
| 31/03/22 | Cash Sales | 5,200 | | | |
| (1m) | | (2m) | | | |



Solution Question 15 - 2023 Q17 (a) & (b)

(b) Prepare the Statement of Financial Position for Cupán Eco Ltd as at 31/12/2022. (24m)

| Statement of Financial Position of Cupán Eco Ltd as at 31/12/2022 | | | | |
|---|------------|--------------|---------------|---------------|
| | Cost | Dep | | N.B.V. |
| Fixed Assets 1m | € | € | € | € |
| Buildings | 274,000 1m | 5,480 1m OF | 268,520 1m OF | 268,520 1m OF |
| Equipment | 92,800 1m | 18,560 1m OF | 74,240 1m OF | 74,240 1m OF |
| | 366,800 | 24,040 | 342,760 | |
| Current Assets 1m | | | | |
| Cash | 21,600 1m | | | |
| Debtors | 20,000 1m | | | |
| Closing Stock 31/12/22 | 25,000 1m | 66,600 | | |
| Current Liabilities/Creditors amounts falling due within 1 year 1m | | | | |
| Creditors | 14,000 1m | | | |
| Bank Overdraft | 7,000 1m | 21,000 | | |
| Working Capital 1m | | | | 45,600 1m OF |
| Total Net Assets 1m | | | | 388,360 1m OF |
| Financed by: 1m | Authorised | Issued | | |
| Share Capital €1 Ordinary Shares | 600,000 1m | 340,000 1m | | |
| Profit & Loss Balance 31/12/22 / Closing reserves / Retained profit | | 48,360 1m OF | | |
| Capital Employed 1m | | | | 388,360 1m OF |

(b)

| | |
|--|------------------------------|
| Stock 31/12/2022: €25,000 | €274,000 1m x .02 1m= €5,480 |
| Depreciation: Buildings 2% Equipment 20% | €92,800 1m x .20 1m= €18,560 |

(a) Complete the Income Statement for Cupán Eco Ltd for year ended 31/12/2022. (18m)

| Income Statement of Cupán Eco Ltd for the year ended 31/12/2022 | | | |
|---|---------------|-----------|--------------|
| | € | € | € |
| Sales | | | 268,600 |
| Less cost of sales | | | |
| Stock 01/01/2022 | | 14,000 | |
| Purchases | | 121,000 | |
| Carriage inwards | | 9,000 | |
| | | 144,000 | |
| Less stock 31/12/2022 | | 25,000 | 119,000 |
| Gross Profit | | | 149,600 |
| Less Expenses: 1m | | | |
| Insurance | | 6,600 1m | |
| Advertising | | 42,400 1m | |
| Wages | | 52,000 1m | |
| Light and Heat | | 15,000 1m | |
| Depreciation on Buildings | 5,480 3m O.F | | |
| Depreciation on Equipment | 18,560 3m O.F | 24,040 | |
| Total Expenses | | | 140,040 |
| Net Profit 1m | | | 9,560 2m OF |
| Less Dividend Paid | | | 9,200 1m |
| | | | 360 |
| Add Profit and Loss Balance 01/01/22 / Opening reserves | | | 48,000 1m |
| P&L balance 31/12/22 / Closing reserves/retained profit/earnings 1m | | | 48,360 1m OF |

Solution Question 16 - 2022 Q17 (a) & (b)

The following trial balance was taken from the books of Cadden Ltd on 31/12/2021, the end of its financial year. The authorised share capital is 400,000 €1 ordinary shares.

Trial Balance of Cadden Ltd as at 31/12/2021

| | Dr | Cr |
|------------------------------------|---------|---------|
| | € | € |
| Cash sales | | 270,000 |
| Cash purchases | 165,000 | |
| Carriage inwards | 1,000 | |
| Stock 01/01/2021 | 6,000 | |
| Telephone & broadband | 2,500 | |
| Light & heat | 11,500 | |
| Rent | 16,000 | |
| Wages | 43,500 | |
| Marketing expenses | 8,800 | |
| Dividends paid | 10,000 | |
| Buildings | 220,000 | |
| Equipment | 40,000 | |
| Cash in hand | 5,700 | |
| Debtors | 12,000 | |
| Creditors | | 9,000 |
| Bank overdraft | | 5,000 |
| Issued share capital | | 160,000 |
| Profit and loss balance 01/01/2021 | | 17,000 |
| Nine year loan | | 81,000 |
| | 542,000 | 542,000 |

The following additional information is provided on 31/12/2021:

Dep: €40,000 x 20% = €8,000

- Stock 31/12/2021, €5,000
- Equipment to be depreciated by 20%

(a) Complete the Income Statement for Cadden Ltd for the year ended 31/12/2021. (17 marks)

| Income Statement for Cadden Ltd for the year ended 31/12/2021 | | | |
|--|---|---------------|-------------------|
| | € | € | € |
| Cash sales | | | 270,000 |
| Less Cost of Sales | | | |
| Stock 01/01/2021 | | 6,000 | |
| Cash purchases | | 165,000 | |
| Add carriage inwards | | <u>1,000</u> | |
| | | 172,000 | |
| Less stock 31/12/2021 | | <u>5,000</u> | |
| Cost of goods sold | | | <u>167,000</u> |
| Gross Profit | | | 103,000 |
| Less Expenses: (1m) | | | |
| Telephone & Broadband | | 2,500 (1m) | |
| Light & Heat | | 11,500 (1m) | |
| Rent | | 16,000 (1m) | |
| Wages | | 43,500 (1m) | |
| Marketing expenses | | 8,800 (1m) | |
| Depreciation on equipment | | 8,000 (3m) OF | <u>90,300</u> |
| Net Profit (1m) | | | 12,700(2m) OF |
| Less Dividends paid | | | <u>10,000(1m)</u> |
| | | | 2,700 |
| Add opening P&L balance 01/01/21 / Opening reserves | | | <u>17,000(1m)</u> |
| P&L balance 31/12/21 / Closing reserves/retained profit/earnings (1m) | | | 19,700(2m) OF |

(b) Complete the Statement of Financial Position of Cadden Ltd as at 31/12/2021. (24 marks)

| Statement of Financial Position of Cadden Ltd as at 31/12/2021 | | | |
|---|--------------------|---------------------|-----------------------|
| | € | € | € |
| Fixed Assets (1m) | | | N.B.V. |
| Buildings | 220,000(1m) | - | 220,000(1m) |
| Equipment | <u>40,000 (1m)</u> | <u>8,000(1m) OF</u> | <u>32,000 (1m) OF</u> |
| | <u>260,000</u> | <u>8,000</u> | 252,000 |
| Current Assets (1m) | | | |
| Closing Stock/Stock 31/12/21 | 5,000 (1m) | | |
| Cash in hand | 5,700 (1m) | | |
| Debtors | <u>12,000(1m)</u> | 22,700 | |
| Current Liabilities/Creditors amounts falling due within 1 year (1m) | | | |
| Creditors | 9,000(1m) | | |
| Bank Overdraft | <u>5,000(1m)</u> | <u>14,000</u> | |
| Working Capital (1m) | | | <u>8,700(1m) OF</u> |
| Total Net Assets(1m) | | | <u>260,700(1m) OF</u> |
| Financed by: (1m) | | | |
| Share Capital: €1 Ordinary shares | Authorised | Issued | |
| | 400,000(1m) | 160,000(1m) | |
| Reserves | | | |
| Profit & Loss Balance 31/12/21 / Closing reserves / Retained profit | | 19,700(1m) OF | |
| Long-term liabilities/Creditors falling due after more than 1 year | | | |
| Nine-year loan | | <u>81,000(1m)</u> | |
| Capital Employed (1m) | | | <u>260,700(1m) OF</u> |








Solution Question 17 - 2025 Q14

Complete the following Income Statement of Doyle Ltd for the year ended 31/12/2023:

| Income Statement of Doyle Ltd for the year ended 31/12/2023 | | |
|---|-------------------|------------------------|
| | € | € |
| Sales | | 500,000 |
| Less Cost of sales | | |
| Opening Stock | 20,000 | |
| Purchases | 280,000 | |
| | 300,000 2m | |
| Less Closing Stock | 15,000 | |
| Cost of Sales | | 285,000 2m O.F. |
| Gross Profit | | 215,000 2m O.F. |

Solution Question 18 - 2025 Q1

Indicate whether **each** of the assets of a company listed below are fixed or current by placing a tick (✓) in the correct box:

| Assets | Fixed | Current |
|--|-------|---------|
| Premises  | ✓ | |
| Cash  | | ✓ |
| Delivery Vehicle  | ✓ | |





Solution Question 19 - 2024 Q6

Complete the Statement of Financial Position (extract) below by filling in the **three** unshaded areas, numbered (i) to (iii).

| Statement of Financial Position as at 31/12/2023 | | | |
|--|---------------|--------------|----------------|
| | € | € | € |
| | Cost | Depreciation | Net Book Value |
| Fixed Assets | | | |
| Buildings | 550,000 | 11,000 | (i) 539,000 |
| Equipment | 92,000 | (ii) 9,200 | 82,800 |
| | (iii) 642,000 | 20,200 | 621,800 |

Workings, if required:

(i) $550,000 - 11,000 = €539,000$

(ii) $92,000 - 82,800 = €9,200$

(iii) $550,000 + 92,000 = €642,000$

Solution Question 20 - 2019 Q14

Complete the trading account of Blake Ltd for the year ended 31/12/2018:

| Trading Account of Blake Ltd for the year ended 31/12/2018 | | |
|--|---------|-----------------|
| | € | € |
| Sales | | 850,000 |
| Less cost of sales | | |
| Opening stock | 75,000 | |
| Purchases | 450,000 | |
| | 525,000 | [2] |
| Less closing stock | 115,000 | |
| Cost of sales | | 410,000 O.F [2] |
| Gross profit | | 440,000 O.F [2] |

