

A 'level Accounting

On January the 1st Percy set up a new shop. He introduced £10,000 of his own cash into the business. At April the 30th he provides the following information for the first four months of his business:

January

He purchased 100 items of stock for £15 each and sold 90 of them for £36 each. He paid rent of £200, £50 wages for a part-time member of staff and some advertising costing £100. He also bought a second-hand van for £2,500.

February

This month he purchased only 80 items of stock. He managed to sell 70 of them for £36 each. He once again paid rent and wages but he also had to pay an electricity bill of £120. Percy took a loan from a bank of £1,000.

March

He purchased another 100 items of stock at £15 each and sold 95. This month he put up his selling price by £2. Rent was again £200 but the wages increased to £60. A phone bill of £150 was also paid this month.

April

Percy purchased 90 items of stock and sold 110. Rent and wages were also paid. Percy bought a computer for £1,000 and took £150 out for personal use.

Question:

- 1 Calculate the amount of cash Percy has at the end of each month