**Activity 1 – Calculating gross and net profit**

|  |  |  |
| --- | --- | --- |
| David’s Hairdressers | £ | £ |
| Sales  |  | 215,550 |
|  |  |  |
| Cost of sales  |  |  |
| Opening stock  | 3,999 |  |
| Purchases  | 75,910 |  |
| Closing stock  | 6,120 |  |
|  |  |  |
| Gross profit  |  |  |

|  |  |  |
| --- | --- | --- |
| Stevens Sweet shop  | £ | £ |
| Sales  |  | 103,200 |
|  |  |  |
| Cost of sales  |  |  |
| Opening stock  | 4,500 |  |
| Purchases  | 62,150 |  |
| Closing stock  | 5,750 |  |
|  |  |  |
| Gross profit  |  |  |

|  |  |  |
| --- | --- | --- |
| Jessica’s beauty bar  | £ | £ |
| Sales  |  | 91,950 |
|  |  |  |
| Cost of sales  |  |  |
| Opening stock  | 5,100 |  |
| Purchases  | 27,722 |  |
| Closing stock  | 7,120 |  |
|  |  |  |
| Gross profit  |  |  |

**Activity 1 – Calculating gross and net profit – Answers**

|  |  |  |
| --- | --- | --- |
| David’s Hairdressers | £ | £ |
| Sales  |  | 215,550 |
|  |  |  |
| Cost of sales  |  |  |
| Opening stock  | 3,999 |  |
| Purchases  | 75,910 |  |
| Closing stock  | 6,120 |  |
|  | 73,789 | 73,789 |
| Gross profit  |  | 141,761 |

|  |  |  |
| --- | --- | --- |
| Stevens Sweet shop  | £ | £ |
| Sales  |  | 103,200 |
|  |  |  |
| Cost of sales  |  |  |
| Opening stock  | 4,500 |  |
| Purchases  | 62,150 |  |
| Closing stock  | 5,750 |  |
|  | 60,900 | 60,900 |
| Gross profit  |  | 42,300 |

|  |  |  |
| --- | --- | --- |
| Jessica’s beauty bar  | £ | £ |
| Sales  |  | 91,950 |
|  |  |  |
| Cost of sales  |  |  |
| Opening stock  | 5,100 |  |
| Purchases  | 27,722 |  |
| Closing stock  | 7,120 |  |
|  | 25,702 | 25,702 |
| Gross profit  |  | 66,248 |