Swan Limited follows the practice of closing of its books on 31 March every year. The company was considering an offer to sell off the business at the beginning of 2014 but due to some differences the deal was not finalized and the company carried out stock taking on 10 March 2014. The value of stock on that date was $31,250 (cost). The company decided not to carry out stock taking on 31 March this year.

During the period from 11 March to 31 March 2014, the company sold inventory worth $21,600 which includes some goods costing $1,800 which were sold for $1,500 due to some defects. The company has a policy to make a mark-up of 25% on cost.

During this period it made a purchase of $14,600. One of company’s old customers found some defects in some goods worth $1,100. The company accepted these goods back and returned full payment to the customer. The company had purchase returns of $600 during this period.

Goods with customers on sale or return basis were of $5,000 (Proforma invoice value). The goods had been sent on 9 March 2014. The customer had the right to return the goods within four weeks but it was known that one customer who had goods worth $2,000 had pledged them with bank.

The accountant of the company is new and seeks your help to arrive at stock as on 31 March 2014 from the above information.