

- 10** A sales return of \$400 has been credited to the customer's account as \$40.

A suspense account is created to complete the trial balance.

What is the balance on the suspense account?

- A** \$360 Credit
  - B** \$360 Debit
  - C** \$440 Credit
  - D** \$440 Debit
- 11** The creation of a provision for doubtful debts is an example of which accounting concept?
- A** business entity
  - B** consistency
  - C** prudence
  - D** realisation
- 12** A business provided the following information.

	\$
1 April purchases ledger credit balance	16 725
30 April credit purchases for the month	42 653
30 April payments made to trade payables	37 324
30 April purchases returns	723

What is the balance on the purchases ledger control account at 30 April?

- A** \$12 119      **B** \$21 331      **C** \$59 378      **D** \$62 529
- 13** A business depreciates its motor vehicles over four years using the straight-line method. A full year's depreciation is charged in the year of purchase, but none in the year of sale.
- A vehicle purchased on 1 July 2011 for \$18 000 had an estimated residual value of \$4000. The vehicle was sold for \$5000 on 31 December 2014.
- Which entry appeared in the income statement for the year ended 31 December 2014?
- A** \$1000 loss
  - B** \$2500 loss
  - C** \$2500 profit
  - D** \$5000 profit