

- 7 The table shows details relating to a company's banking transactions at 31 December.

	\$
balance at bank as per bank statement	22 650
uncleared lodgements	3 110
unpresented cheques	6 290
bank credit recorded twice by bank in error	650

Which balance for cash at bank should appear in the statement of financial position at 31 December?

- A** \$18 820 **B** \$20 120 **C** \$25 180 **D** \$26 480
- 8 A company's accounts showed a gross profit for the year of \$32 500. After the draft financial statements were prepared it was found that the opening inventory had been overstated by \$2400 and the closing inventory had been understated by \$3400.

What is the corrected gross profit for the year?

- A** \$26 700 **B** \$31 500 **C** \$33 500 **D** \$38 300
- 9 A manufacturing company has the following information for the year ended 31 December.

	\$
purchase of raw materials	58 000
wages of machine operators	97 000
depreciation on factory plant	15 000
opening inventory of raw materials	10 000
closing inventory of raw materials	8 000
wages of factory supervisor	18 000
factory light and heating costs	22 000

What is the prime cost for the year?

- A** \$153 000 **B** \$157 000 **C** \$175 000 **D** \$212 000