

- 1 A transport business owned by a sole proprietor purchases a motor vehicle. This is charged to the Motor Vehicles Running Costs account.

What are the effects of this on the end-of-year Balance Sheet?

A	fixed assets understated	current assets understated
B	fixed assets overstated	current assets overstated
C	fixed assets overstated	capital account overstated
D	fixed assets understated	capital account understated

- 2 A club's Income and Expenditure Account for 2001 showed insurance as \$4000.
On 1 January insurance owing was \$800.
On 31 December insurance paid in advance was \$600.

What was the amount shown in the Receipts and Payments Account for insurance for the year ended 31 December 2001?

A \$3800 **B** \$4000 **C** \$4200 **D** \$5400

- 3 A vehicle cost \$30 000. The vehicle was later sold for \$9000 and the profit on disposal was \$1500.

What was the accumulated depreciation of the vehicle on disposal?

A \$7500 **B** \$9000 **C** \$21 000 **D** \$22 500

- 4 The bookkeeper of a company has disappeared. There is no cash in the till and theft is suspected.

The following information is known:

	\$
cash balance at beginning of period	750
total sales during the period	150 000
decrease in debtors during the period	5 500
receipts from debtors paid into the bank	96 000
expenses paid from cash received	5 000

How much has the bookkeeper stolen during the period?

A \$44 250 **B** \$49 750 **C** \$55 250 **D** \$60 250