

- 7 Which group would appear only on the credit side of a sales ledger control account?
- A cash refunds, contra with the purchases ledger control accounts, sales
  - B cash refunds, contra with the purchases ledger control accounts, sales returns
  - C irrecoverable debts written off, cash received, discounts allowed
  - D irrecoverable debts written off, cash refunds, sales

8 Owing to an issue with Question 8, it has been removed from the question paper.

- 9 A business has calculated its draft profit for the year.

The following information was then discovered.

- 1 Closing inventory had been overvalued.
- 2 Irrecoverable debts needed to be written off.
- 3 Depreciation of non-current assets needed to be reduced.

What is the effect on the profit for the year when these items are adjusted?

	closing inventory	trade receivables	depreciation reduction
A	decreased	decreased	increased
B	decreased	increased	decreased
C	increased	decreased	decreased
D	increased	decreased	increased