

- 7 Douglas prepared a trial balance and found that the total of the debit column was \$50 higher than the total of the credit column. The following errors were discovered.

error 1 a purchases invoice for \$100 had been incorrectly recorded

error 2 an irrecoverable debt of \$50 had been incorrectly recorded

Which combination of the two errors **together** caused the difference in the totals?

	error 1	error 2
<b>A</b>	recorded in purchases journal at \$50	both entries reversed
<b>B</b>	recorded in purchases journal at \$50	not recorded at all
<b>C</b>	recorded in sales journal rather than purchases journal	recorded in expense account only
<b>D</b>	recorded in sales journal rather than purchases journal	recorded in sales ledger account only

- 8 When preparing a bank reconciliation statement, which item is an uncredited deposit?

**A** a cheque to a credit supplier not yet recorded on the bank statement

**B** a credit transfer from a credit customer not yet recorded in the cash book

**C** an amount charged by the bank not yet recorded in the cash book

**D** an amount paid into the bank not yet recorded on the bank statement

- 9 A company received its bank statement dated 30 June showing a credit balance of \$6890. The cash book on this date had a debit balance of \$7234. The following items were discovered.

1 Bank charges of \$54 had not been entered in the cash book.

2 Deposits made to the bank on 30 June for \$490 had not been shown on the bank statement.

3 Suppliers had not banked cheques for \$200.

Which figure should be used for bank in the statement of financial position at 30 June?

**A** \$6600

**B** \$6654

**C** \$7126

**D** \$7180

- 10 Where is discount allowed recorded?

	cash book	discount allowed account	sales ledger control account
<b>A</b>	credit side	credit side	credit side
<b>B</b>	credit side	debit side	debit side
<b>C</b>	debit side	debit side	credit side
<b>D</b>	debit side	credit side	debit side