

- 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
A	recorded in purchases journal at \$50	both entries reversed
B	recorded in purchases journal at \$50	not recorded at all
C	recorded in sales journal rather than purchases journal	recorded in expense account only
D	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
A	credit side	credit side	credit side
B	credit side	debit side	debit side
C	debit side	debit side	credit side
D	debit side	credit side	debit side