

- 9 A company's bank statement showed a credit balance of \$2000.

The following issues were found.

- 1 A receipt of \$2700 and a payment for \$3000 were recorded on the bank statement. Both had been omitted from the cash book.
- 2 Bank charges of \$500 were correctly shown on the bank statement but had been recorded as \$600 in the cash book.

What was the cash book balance **before** any necessary adjustments were made?

- A** \$1600                      **B** \$1800                      **C** \$2200                      **D** \$2400

- 10 Why might a business maintain a sales ledger control account as part of the double entry accounting system?

- 1 to facilitate prompt preparation of financial statements
- 2 to help reduce fraud
- 3 to provide details of all sales transactions

- A** 1 and 2                      **B** 1 only                      **C** 2 and 3                      **D** 2 only

- 11 The purchases ledger control account showed a balance of \$79500 **before** the following errors were taken into account.

- 1 A contra of \$5300 between the purchases and sales ledger control accounts had been omitted.
- 2 Cash purchases of \$1200 made on the last day of the period had not been recorded.
- 3 The discount received column in the cash book had been overcast by \$6200.
- 4 The returns inwards journal had been undercast by \$1500.

Which figure for trade payables should be included in the statement of financial position?

- A** \$78900                      **B** \$80100                      **C** \$80400                      **D** \$81600