8 The following information is available for a business.

The balance on its purchases ledger control account was $5900.

The total of the balances in its purchases ledger was $5510.

The following errors were discovered.

1. The purchases journal had been overcast by $250.
2. A sales ledger contra of $340 had been omitted from the purchases ledger control account.
3. A supplier was paid $400 which was correctly entered in the cash book but had been entered in the supplier's account as $200.

What is the correct value of trade payables?

A $5110 **B** $5250 **C** $5310 **D** $5510

9 Brian sent goods to Ravi on a sale or return basis at a selling price of $5000. His selling price is based on a mark-up of 25%. Ravi returned goods with a selling price of $1000 and purchased the remainder.

What was the net effect on Brian's inventory value?

A $800 increase

B $1000 increase

C $3200 decrease

D $4000 decrease

10 A business has provided the following information about its inventory.

	$
cost price	18 750
cost of repairs required to bring the inventory to a saleable condition	3 750
selling price after the repairs	21 000

Which valuation should be used for inventory in the financial statements?

A $15 000 **B** $17 250 **C** $22 500 **D** $24 750