

5 Which statements about a depreciation charge for the year are correct?

- 1 It is a non-monetary expense.
- 2 It is debited to the provision for depreciation account.
- 3 It is only provided on non-current assets with an estimated useful life.

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

6 The sales ledger control account of a business showed a debit balance of \$26 400.

This did not agree with the total of the sales ledger balances.

The following items appeared in the sales ledger accounts but had been omitted from the sales ledger control account.

- 1 a contra item, \$340
- 2 discount allowed, \$56
- 3 dishonoured cheque, \$62
- 4 irrecoverable debt written off, \$438

What was the correct balance on the sales ledger control account?

A \$25 504 **B** \$25 628 **C** \$26 066 **D** \$26 308

7 Which are reasons for preparing a trial balance?

- 1 to assist in the preparation of draft financial statements
- 2 to detect all errors in the books of account
- 3 to find out the balance of the suspense account

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