

- 1 A customer paid a deposit in advance for goods to be supplied at a later date.

How should this be recorded in the seller's books?

	debit	credit
<b>A</b>	cash	customer
<b>B</b>	cash	sales
<b>C</b>	customer	cash
<b>D</b>	customer	sales

- 2 A company calculates a draft profit for the year of \$98 000. This includes the profit margin of \$3000 on goods sold on credit but not yet paid for. It also includes \$500 profit taken on goods sold to a customer on a sale or return basis.

What is the correct gross profit?

- A** \$94 500      **B** \$95 000      **C** \$97 500      **D** \$98 000

- 3 A trader provides the following information.

	\$
prepaid rates at 1 October 2012	400
rent and rates paid during the year	16 200
accrued rates at 30 September 2013	600
prepaid rent at 30 September 2013	1 200

Which charge for rent and rates appears in the income statement for the year ended 30 September 2013?

- A** \$15 200      **B** \$16 000      **C** \$16 400      **D** \$17 200

- 4 A business wishes to record the following transactions in its books of account.

contra between sales ledger control account and purchases ledger control account

depreciation charge for the year

increase in provision for doubtful debts

purchase of non-current asset on credit

How many transactions require an entry in the general journal?

- A** 1      **B** 2      **C** 3      **D** 4