

- 1 Which item is entered in the general journal?
- A A cash discount given to a customer
  - B The correction of an error made in the ledger
  - C The sale of an asset for cash
  - D The withdrawal of cash for private use by the owner
- 2 A calculator costs \$9.50 and has a useful life of 5 years. The book-keeper has decided to treat the purchase of the calculator as revenue expenditure.

Which accounting principle has been applied?

- A accruals
  - B materiality
  - C prudence
  - D substance over form
- 3 A vehicle was part exchanged for a new vehicle.

Which entries record the part exchange?

	account debited	account credited
<b>A</b>	cash	motor vehicles at cost
<b>B</b>	disposal	motor vehicles at cost
<b>C</b>	motor vehicles at cost	cash
<b>D</b>	motor vehicles at cost	disposal