

- 5 A purchases ledger control account was prepared but contained a number of errors.

purchases ledger control account			
\$		\$	
balance b/d	45 750	cash paid to credit suppliers	19 730
credit purchases	20 380	cash discounts received	1 500
cash purchases	19 440	refunds from credit suppliers	3 500
		balance c/d	60 840
	<u>85 570</u>		<u>85 570</u>

What was the correct balance carried down?

- A** \$47 100      **B** \$48 400      **C** \$60 840      **D** \$67 840

- 6 A suspense account shows a debit balance of \$350.

What could have caused this?

- A** A purchase of \$350 was debited to the rent account.  
**B** A purchase of \$350 was omitted from the purchases journal.  
**C** A sale of \$350 was debited to the sales account and credited to the sales ledger control account.  
**D** The sales journal was overcast by \$350.

- 7 The following balances related to Ladha's business.

	at 31 March 2016 \$	at 31 March 2015 \$
total assets	388 000	345 000
total liabilities	84 000	75 000
net assets	<u>304 000</u>	<u>270 000</u>
drawings during the year	22 000	20 000

What was Ladha's profit for the year ended 31 March 2016?

- A** \$12 000      **B** \$32 000      **C** \$36 000      **D** \$56 000