

- 10** A cheque for payment of wages of \$214 has been debited to the purchases account as \$241. A suspense account is created.

What are the correcting entries?

| | account to be debited | \$ | account to be credited | \$ |
|----------|--------------------------|-----------|---------------------------|-----------|
| A | purchases suspense | 214 27 | wages | 241 |
| B | wages | 214 | suspense | 214 |
| C | wages suspense | 214 27 | purchases | 241 |
| D | purchases | 241 | wages suspense | 241 27 |

- 11** A bank statement shows a credit balance of \$8360. Comparison with the cash book reveals:

- Cheques totalling \$18 725, sent to suppliers, have not been presented.
- Cheques totalling \$16 223, received from customers, have not been credited by the bank.
- Bank charges of \$124 have not been entered in the cash book.

What is the correct cash book balance?

- A** \$5734 credit
B \$5734 debit
C \$5858 debit
D \$10 986 credit

- 12** The balance on a sales ledger control account is \$40 000.

The following items are then discovered:

| | \$ |
|--|-------|
| total of sales day book understated | 500 |
| discounts allowed not entered in sales ledger control account | 1 200 |
| bad debts written off not recorded in sales ledger control account | 400 |
| provision for doubtful debts | 2 500 |

What is the total of the balances in the sales ledger?

- A** \$37 900 **B** \$38 600 **C** \$38 900 **D** \$41 100