

- 8 At the year-end a cash book shows a credit balance of \$4800.

The bank statement included bank charges of \$25 which had not been included in the cash book.

Cheque payments entered in the cash book before the year end to the value of \$250 had not yet cleared the bank.

How would the bank balance be shown in the balance sheet?

		\$
A	current asset	4775
B	current liability	4825
C	current asset	5025
D	current liability	5075

- 9 A company makes purchases from X Ltd and also sells goods to X Ltd. At the year-end the company owes X Ltd \$500 and X Ltd owes the company \$750.

What are the correct entries to contra (offset) these amounts?

	purchases ledger control account debit \$	sales ledger control account credit \$
A	250	250
B	500	500
C	750	500
D	750	750

- 10 The following information is taken from the books of a business at 30 April.

	\$
total of sales ledger balances	84 000
balance on sales ledger control account	83 100

What could have caused the difference between the sales ledger balances and the sales ledger control account balance?

- A** an invoice for \$900 not entered in the sales journal
- B** an invoice in the sales journal for \$2100 entered in the sales ledger account as \$1200
- C** the sales journal total for March overstated by \$900
- D** the sales journal total for April, \$9800, entered in the sales ledger control account as \$8900