

- 5 The net book value of motor vehicles of a company is shown.

beginning of the year	end of the year
\$312 000	\$305 000

During the year, an old vehicle was traded in as part exchange for a new vehicle. The part exchange value of the old vehicle was \$8000. The remaining purchase price of the new vehicle, \$30 000, was paid by cheque.

What was the depreciation charge for the year?

- A** \$29 000 **B** \$37 000 **C** \$45 000 **D** \$53 000

- 6 The bank statement of a business showed a credit balance of \$4520. This did not agree with the cash book. The following were discovered.

- 1 Bank charges of \$89 had not been entered in the cash book.
- 2 There were unpresented cheques paid to suppliers of \$680.
- 3 A dishonoured cheque for \$210 appeared on the bank statement, but was not shown in the cash book.
- 4 Sales receipts of \$750 had been entered in the cash book, but did not appear on the bank statement.

What is the bank balance to be shown in the statement of financial position?

- A** current asset \$4501
B current asset \$4590
C current liability \$4450
D current liability \$4539

- 7 What may help a book-keeper detect errors in the accounting records of a business?

- 1 books of original entry
- 2 sales ledger control account
- 3 statement of financial position
- 4 trial balance

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

- 8 The closing balance on a purchases ledger control account is \$163 762. The purchases journal has been undercast by \$1000.

What is the correct closing balance on the purchases ledger control account?

- A** \$162 762 **B** \$163 762 **C** \$164 762 **D** \$165 762