

- 9 A business has calculated its draft profit for the year as \$15 000. The following were then discovered.
- 1 General expenses were understated by \$600.
 - 2 The sales journal total of \$55 690 had been posted to the sales account as \$56 590.
 - 3 Repairs to vehicles of \$1100 had been entered in the vehicles (at cost) account.
 - 4 The salaries account included travelling expenses of \$2400 paid to the salesmen.

What was the correct profit for the year?

- A** \$12 400 **B** \$13 600 **C** \$14 200 **D** \$14 800

- 10 A sole trader maintains a provision for doubtful debts at 5% of trade receivables. Provision for doubtful debts at the start of the year was \$2750. The following information is available at the end of the year.

	\$
trade receivables	37 500
irrecoverable debts written off during the year	500

What is the effect on the profit for the year due to the change in the provision for doubtful debts?

- A** decrease by \$875
B decrease by \$900
C increase by \$875
D increase by \$900
- 11 Esarba has a financial year end of 31 December.

On 31 March 2020, she transferred her private vehicle to the business at a value of \$12 000.

Her profit for the year ended 31 December 2020 was \$7800 and her cash drawings amounted to \$8000. Depreciation of \$900 had been provided on the vehicle.

She also took goods for her own use with a cost price of \$1000 and a selling price of \$2000.

What was the increase in Esarba's capital account balance in the year ended 31 December 2020?

- A** \$8900 **B** \$9800 **C** \$9900 **D** \$10 800