

**5** Which items will be included in the sales ledger control account?

- 1 amounts owed by credit customers at the end of the previous month
- 2 provision for doubtful debts
- 3 total of the invoices sent out to credit customers
- 4 total of the sales returns journal

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

**6** Which error would affect the balancing of a trial balance?

- A** A payment for rent of \$250 had been debited in the bank account. It had been entered correctly in the rent account.
- B** A purchase invoice for \$259 was entered in the purchases journal as \$295.
- C** A sales invoice for \$180 was lost before it could be entered in the sales journal.
- D** A sales return of \$500 was debited in the customer's account and credited to the purchases returns account.

**7** The balance on a purchases ledger control account at 1 March was \$71 300.

During the month ended 31 March, the following transactions took place.

	\$
payments to trade payables by cheque	133 200
credit purchases	149 000
purchases returns	3 000
cash purchases	2 000
contra with sales ledger	1 600

What was the trade payables balance at 31 March?

**A** \$80 500      **B** \$82 500      **C** \$83 700      **D** \$85 700

**8** Which statements about accruals and prepayments are correct?

- 1 Accrued revenue at the end of an accounting period is recorded as a current asset.
- 2 Accrued revenue at the end of an accounting period is recorded as a current liability.
- 3 Prepaid expenses at the end of an accounting period are recorded as a current asset.
- 4 Prepaid expenses at the end of an accounting period are recorded as a current liability.

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