

- 5 After draft financial statements had been prepared, the following errors were discovered.

Opening inventory was overvalued by \$2000.

Closing inventory was undervalued by \$3000.

The original gross profit was \$90 000.

What was the gross profit after the errors were corrected?

- A** \$85 000      **B** \$89 000      **C** \$91 000      **D** \$95 000

- 6 At 31 December 2013 a business provides the following information.

	\$
balance per cash book	790 credit
balance per the bank statement	800 debit
unpresented cheques	30

The only other reconciling item between the cash book and the bank statement is bank charges recorded on the bank statement but not in the cash book.

How much are the bank charges?

- A** \$10      **B** \$20      **C** \$30      **D** \$40

- 7 A company accountant has prepared a reconciliation of the sales ledger control account with the sales ledger.

	\$
balance per the control account	100 000
add:	
invoices not posted to the nominal ledger	10 000
cash received not posted to the sales ledger	5 000
balance per the sales ledger	115 000

Which figure for trade receivables should be shown in the financial statements?

- A** \$100 000      **B** \$105 000      **C** \$110 000      **D** \$115 000