

- 5 The following items appear in the books of a builder.

	\$
rent of own home	3 000
rent of builder's yard	2 500
housekeeping expenses	2 000
overalls	100
loose tools	300
equipment	3 000
lorries	1 500
rates on business premises	650
rent of business premises	3 500
assistant's wages	3 000

What is the total business expenditure?

- A** \$11 250      **B** \$14 550      **C** \$16 550      **D** \$19 550
- 6 The table shows details relating to a company's banking transactions at 31 December.

	\$
balance at bank as per bank statement	22 650
uncleared lodgements	3 110
unpresented cheques	6 290
bank credit recorded twice by bank in error	650

Which balance for cash at bank should appear in the statement of financial position at 31 December?

- A** \$18 820      **B** \$20 120      **C** \$25 180      **D** \$26 480
- 7 A company's accounts showed a gross profit for the year of \$32 500. After the draft financial statements were prepared it was found that the opening inventory had been overstated by \$2400 and the closing inventory had been understated by \$3400.

What is the corrected gross profit for the year?

- A** \$26 700      **B** \$31 500      **C** \$33 500      **D** \$38 300