

- 13** In reconciling the sales ledger control account with the balances in the sales ledger, it was noticed that there was an error in the sales journal. This had been overcast by \$740. In addition, the total receipts from customers of \$940 were recorded in the control account as \$490.

Which correcting entry must be made?

	control account	list of balances
A	\$290 credit	increase by \$290
B	\$290 debit	no effect
C	\$1190 credit	decrease by \$1190
D	\$1190 credit	no effect

- 14** Which error would give rise to a difference in a trial balance?

- A** bringing forward an opening balance of \$9590 instead of \$9950
- B** debiting interest paid in the cash book and crediting it to 'interest received' account
- C** debiting 'repair to motor vehicles' account with \$11 250 for a new motor vehicle
- D** entering the sale of an item for \$300 in the books as \$3000

- 15** Which group of items are included in the prime cost?

- A** inventories of finished goods, purchases of raw materials, direct wages
- B** inventories of raw materials, purchases of raw materials, direct wages
- C** inventories of raw materials, purchases of raw materials, indirect wages
- D** inventories of work in progress, purchases of raw materials, indirect wages

- 16** A business provides the following information for the year.

	\$
prime cost	165 000
factory overheads	43 000
opening work in progress	6 000
closing work in progress	15 000

What is the cost of goods transferred to the trading account of the income statement?

- A** \$113 000
- B** \$199 000
- C** \$208 000
- D** \$217 000