

- 9 A trial balance failed to balance and a suspense account was opened. It was discovered that the discount received column in the cash book, which totalled \$180, had been posted to the debit side of the discount allowed account.

Which entry is made in the suspense account to correct this error?

- A credit \$180 B credit \$360 C debit \$180 D debit \$360
- 10 What would **not** appear in a sales ledger control account?
- A bad debts
B cash sales
C discounts allowed
D returns inwards
- 11 In whose accounts will the term 'prime cost' appear?
- A a limited company running a retail business
B a partnership of accountants
C a sole trader manufacturing car components
D a sports and athletics club

- 12 A clothing retailer provides the following information for its three departments.

	Gentlemen	Ladies	Children
gross profit	\$35 000	\$42 500	\$22 500
number of employees	3	3	2

The total overheads incurred by the retailer are \$76 000 and these are apportioned to the departments on the basis of number of employees.

What is the net profit or loss made by the children's department?

- A \$3500 loss B \$3500 profit C \$6000 loss D \$13 000 profit