

- 1 A customer paid a deposit in advance for goods to be supplied at a later date.

How should this be recorded in the seller's books?

	debit	credit
A	cash	customer
B	cash	sales
C	customer	prepayment
D	customer	sales

- 2 Non current (fixed) assets of a company were:

	start of year \$	end of year \$
at cost	460 000	505 000
cumulative depreciation	215 000	237 000
net book value	245 000	268 000

During the year non current (fixed) assets costing \$92 000 were purchased and non current (fixed) assets with a net book value of \$16 000 were sold.

What was the depreciation charge for the year?

- A** \$22 000 **B** \$23 000 **C** \$53 000 **D** \$69 000

- 3 What does the application of the accounting principle of consistency ensure?

- A** that all losses are provided for
B that assets are recorded at their actual cost
C that financial statements are produced annually
D that profits are calculated the same way each year