

Strategic Business Reporting: Workbook

For exams in September 2024, December 2024, March 2025 and June 2025

Further Question Practice bank, answer to Question 12 Coate, pg 787

The second double entry contains an error. The double entry should read as follows (correction highlighted in yellow):

Debit Deferred income (SOFP)

\$ Fair value of certificate at receipt

Credit Cost of sales (SPLOCI)

\$ Fair value of certificate at receipt