

Workbook

Page 266, Chapter 14, Solution to Activity 1, part (3)

In the Bank, Trade receivables (SOFP) and Sales (SPL) T accounts, where the date is stated as 4.1.X7, it should read a date that is **after** 10 days from the original sale. For example, 12.1.X7.

Page 478, Chapter 25, Section 5, Activity 4

In the scenario, Panther's Profit for the year should be stated as \$3,200 (instead of \$3,050).

Online edition of the Workbook - Essential reading

Page 524, Section 6 Goods written off or written down - final sentence

In the final section of this paragraph, the phrase "as the following example shows" should be deleted.

The costs of inventory written off or written down should not usually cause any problems when calculating the gross profit of a business, because the cost of goods sold will include the cost of inventories written off or written down, ~~as the following example shows.~~

Online edition of the Workbook - Further question practice

Page 608, Question 60

The solution should be amended to show the balance per the general ledger account as a positive balance. It should read:

The correct answer is: \$3,670 **Dr**

The key thing to notice here is that the opening balance is an overdraft so you are starting with a negative figure:

Opening balance	\$(3,860)
Less unpresented cheques	\$(9,160)
Add outstanding lodgements	\$16,690
Overdrawn Closing balance	\$3,670

Practice and Revision Kit

Page 113 Question 22, Emma

In point (3) of the additional information, the carrying amount of PPE as at 31.12.20X1 should be \$305,000.

	31.12.20X2	31.12.20X1
	\$'000	\$'000
Cost/valuation	720	595
Accumulated depreciation	340	290
Carrying amount	380	380 305

Page 270, 17.18

The solution to Item 2 should read 'credit' and not 'debit'.

Item 1	Item 2
Credit	Debit Credit

Page 284 Question 20.1, Malright

The allowance for receivables at the start of the year will not be listed on the SOFP at the end of the year.

The correct answer is

Allowance for receivables, at 1 November 20X6 - ~~On SOFP~~ **Not on SOFP**

Page 286 Question 21.1, Tonson

Inventory at 1 November 20X5 is written off to cost of sales and therefore is part of the profit or loss.

The correct answer is:

Inventory at 1 November 20X5 - ~~Not P/L~~ **P/L**

Page 329 Mock Exam 21, Question 36b - answer to statement two

The answer to the statement two should read 'NO' instead of 'YES'.

Greater than 50% of the preference shares being held by an investor		NO
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