
Past Questions

Correction of errors
question (100 & 60 marks)

Check List

60 Mark - Questions

2022 - Fletcher Ltd (60 Marks)			
Past Adjustment (Suspense)			
1. Credit purchases by Fletcher for €2,400 from E Hegarty had been entered in the day books as €2,040 and was subsequently posted on the incorrect side of Hegarty's account as €4,020			
2. A private debt €750 owed by Fletcher had been offset in full settlement against a business debt €800 owed to Fletcher Ltd. No entry had been made in the books in respect of this transaction.			
3. A payment of €1,000 was received from F Murtagh a former debtor, whose debt had previously been written off and wishes to trade with Fletcher Ltd again. This represents 80% of the original debt and Murtagh has undertaken to pay the remainder of the debt by February 2023. The only entry made in respect of this transaction was that the full amount written off was credited to the debtors account.			
4. A credit note sent to K Mullan for €240 had been misread as a credit note received from A Keogh and recorded as such.			
5. Equipment which cost €8,400 and with a book value of €3,360 was sold for cash €3,300. This had been entered as €3,630 on the debit side of the sales account and on the credit side of a debtor's account.			

2012 - N O'Connell (60 Marks)		
Past Adjustment (Suspense)		
1. O'Connell's private car valued at €7,000 was presented to the business. This car was later sold on credit to a debtor of the business for €7,600. The sale had been treated as a cash sale.		
2. O'Connell had returned a motor car, previously purchased on credit from a supplier, for €9,000 and had entered this transaction in the relevant ledger accounts incorrectly as €9,900. However, a credit note subsequently arrived from a supplier showing a restocking charge of €300 to cover the cost of the return. The only entry made in respect of this credit note was a credit entry of €8,700 in the creditors account.		
3. A private debt of €1,000 owed to O'Connell had been offset in full settlement against a business debt of €1,260 owed by O'Connell. No entry had been made in the books in respect of this transaction.		
4. Payments from a business bank account for repairs to business premises €600 and insurance of private dwelling €520 were entered correctly in the bank account but respectively credited to premises account and credited to insurance account		
5. Car parts, previously sold on credit for €920, had been returned to O'Connell. These returns had been incorrectly entered as €20 on the credit of equipment account and as €290 on the debit of purchases account.		

100 Mark - Questions

2020 - J. Beglin (100 Marks)			
Past Adjustment (Suspense)			
1. Equipment purchased on credit from P. Babb for €6,600 has been entered on the incorrect side of Babb's account as €6,060 and as €6,000 in the purchases account			
2. A creditor who was owed €5,500 by Beglin, accepted equipment, the book value of which was €5,200, in full settlement of the debt. The equipment had cost €6,800. No entry had been made in the books in respect of this transaction.			
3. A private debt of €1,500 owed to Beglin had been offset in full settlement against a business debt of €1,660 owed by Beglin. No entry had been made in the books in respect of this transaction.			
4. Payments from a business bank account for repairs to business premises of €1,000 and insurance of private dwelling of €750 were entered correctly in the bank Account but respectively credited to creditors account and credited to the Insurance account.			
5. Beglin sent a cheque for €920 in full settlement of a business debt of €990 and this was recorded correctly in the books. However, no entry had been made in the books for the dishonouring of this cheque and the subsequent payment of the amount in full by Beglin from a personal bank account.			

2018 - D. Fahy (100 Marks)			
Past Adjustment (Suspense)			
1. A car lift purchased on credit for €4,000, had been entered on the incorrect side of the creditors account. The only other entry made was a debit of €400 to the purchases account.			
2. D. Fahy's private car valued at €10,000 was presented to the business for resale. No entry was made in the books regarding this transaction. This car was later sold on credit to a debtor of the business for €10,000. The sale had been treated as a cash sale.			
3. D. Fahy had returned a motor car, previously purchased on credit from a supplier, for €12,000 and entered this transaction in the relevant ledger accounts incorrectly as €1,200. However, a credit note subsequently arrived from a supplier showing a restocking charge of €200 to cover the cost of the return. The only entry made in respect of this credit note was a credit entry of €11,800 in the creditors account.			
4. A payment of €500 was received from F. Mc Fadden, a debtor, whose debt had previously been written off and who wishes to trade with D. Fahy again. This represents 80% of the original debt and the debtor has undertaken to pay the remainder of the debt by January 2018. No entry had been made in the books.			
5. D. Fahy purchased goods on credit from Car Parts Ltd for €3,000 plus VAT @ 13.5%. The only entries in the accounts were that the VAT inclusive figure was entered on the debit side of the equipment account and the VAT exclusive figure entered on the credit side of Car Parts Ltd account.			

2016 - D. Sexton (100 Marks)			
Past Adjustment (Suspense)			
1. Coffee tables purchased on credit for €2,800, had been entered on the incorrect side of the creditor's account and credited as €1,800 to the equipment account.			
2. A delivery van which cost €2,400 and with a book value of €1,500 was sold for cash €1,350. This had been entered as €1,530 on the debit side of the sales account and on the credit side of the debtor's account.			
3. Insurance due €340 and rent prepaid to Sexton €460 were not recorded in the books.			
4. A credit note sent to a debtor for €620 had been entered in the day books as €260 and was subsequently posted to the incorrect side of the relevant ledger accounts.			
5. Sexton returned furniture previously purchased on credit for €27,000. This was entered in the accounts as €37,000. However, a credit note subsequently arrived from the supplier showing a transport charge of €500. The only entry made in respect of this credit note is a credit entry of €26,500 in the creditor's account.			

2014 - E. Cagney (100 Marks)			
Past Adjustment (Suspense)			
1. A debtor, who owed Cagney €830, sent a cheque for €780 in full settlement and this was recorded correctly in the books. However, no entry was made in the books of the subsequent dishonouring of this cheque or of the closing of the debtor's account after the receipt of a first and final payment of 10c in the €1.			
2. Cagney had returned goods, previously purchased on credit for €15,800 from a supplier. Cagney entered this transaction as €18,500 on the correct sides of the correct accounts in the ledger. A credit note subsequently arrived from the supplier showing a restocking charge of €800 to cover the cost of the return. The only entry made in respect of this credit note was a credit of €15,000 in the creditor's account.			
3. A cheque for €4,260 was paid by Cagney out of a private bank account to cover 15 months hire of equipment for the business up to 31/03/2014. No entry had been made in the books.			
4. Cagney won a private holiday prize for two worth €6,000 in total. One ticket had been given to a salesperson as part payment of sales commission for the year and the other to an advertising firm as payment in full of a debt of €3,250. No entry had been made in the books			
5. Cagney's private car valued at €8,800 was presented to the business. He took a used freezer from the business for an agreed value of €800. The only entry made in the books was a debit of €800 in the equipment account. The freezer had a book value of €1,300.			

2010 - C. McCarthy (100 Marks)			
Past Adjustment (Suspense)			
1. McCarthy sent a cheque for €620 in full settlement of a business debt of €660 and this was recorded correctly in the books. However, no entry had been made in the books of the subsequent dishonouring of this cheque and the payment on account of €300 cash by McCarthy.			
2. McCarthy had returned a motor car previously purchased on credit for €15,600 from a supplier. Mc Carthy entered this transaction as €16,500 on the correct sides of the correct accounts in the ledger. A credit note subsequently arrived from the supplier showing a transport charge of €600 to cover the cost of the return. The only entry made in respect of this credit note was a credit of €15,000 in the creditor's account			
3. McCarthy won a motor vehicle valued at €30,000 in a draw. McCarthy gave this vehicle to the business and took an old vehicle from the business valued at €22,500 which was to be used for private purposes. The only entry made in the firm's books regarding both vehicles was a debit in the cash book of €22,500.			
4. Cash payments of €450 for repairs to equipment had been credited to the creditors account and also credited to the motor vehicles account			
5. A cheque for €5,250 paid by McCarthy out of a private bank account for 15 months hire of diagnostic equipment up to 31/03/2010 had not been entered in the books.			

2008 - L. O'Shea (100 Marks)		
Past Adjustment (Suspense)		
1. An overdraft of €400 in the bank account had been brought down on the incorrect side of the nominal ledger and consequently had been entered on the incorrect side of the trial balance.		
2. O'Shea sold privately owned jewellery to a debtor of the business on credit for €2,800. This sale had been treated in error as a cash sale of stock. O'Shea intended that the proceeds of this sale were to be retained in the business.		
3. A debtor who owed L. O'Shea €700 sent a cheque for €550 and €100 in cash in full settlement. This was correctly entered in the books. However, no entry had been made in the books of the subsequent dishonouring of this cheque or of the writing off of the remaining debt in full because of bankruptcy.		
4. O'Shea won a motor vehicle valued at €20,000 in a grand prize draw. L O'Shea gave the vehicle to the business and took an old van from the business valued at €8,000, which was to be used for private purposes. The only entry made in the firm's books regarding both motor vehicles was a debit in the cash book of €8,000.		
5. Cash payments of €160 for repairs to the business motor vehicle and €100 for repairs to private motor vehicles had both been credited to the creditors account and also credited to motor vehicles account		

2006 - M. O'Mera (100 Marks)		
Past Adjustment (Suspense)		
1. A motor car, purchased on credit from D. Foran for €13,000, had been entered on the incorrect side of Foran's account as €1,300 and credited as €3,100 in the Equipment account		
2. O'Meara had returned a motor car, previously purchased on credit for €14,600 from a supplier. O'Meara entered this transaction as €16,400 on the correct sides of the correct accounts in the ledger. A credit note subsequently arrived from the supplier showing a restocking charge of €500 to cover the cost of the return. The only entry made in respect of this credit note was a credit of €14,100 in the creditor's account.		
3. A debtor who owed O'Meara €1,000 sent a cheque for €800 and €150 in cash in full settlement. This was correctly recorded in the books. However, no entry has been made in the books of the subsequent dishonouring of this cheque or of the writing off of the remaining debt in full because of bankruptcy		
4. A private debt for €770, owed by O'Meara, had been offset in full against a business debt of €820 owed to the firm for car repairs previously carried out. No entry had been made in the books in respect of this offset.		
5. A cheque for €2,250 paid by O'Meara out of a private bank account for 15 months hire of diagnostic equipment up to 31/3/2006 had not been entered in the books.		