Part 1:

Multiple Choice Questions: (5 total marks available – 5 questions - 1 mark each)

QUESTION 1 – B

ANSWER: b

QUESTION 2 - D

ANSWER: d

RATIONALE: Salaries expense = $9,000 (Adjustment at Dec. 31) + $120,000 (Expenses for the year) = $129,000 Salaries payable = $9,000 (Adjustment for salaries earned but unpaid and previously unrecorded)

QUESTION 3 – B

ANSWER: b