

## 8 Income and Expenses

### Question 1

a	Sales (of inventory)	✓
b	Interest received	✓
c	Accounts receivable	
d	Cash at bank	
e	Fees from customers	✓
f	Discount received	✓
g	GST payable	

### Question 2

a	Wages	
b	Sales	✓
c	Office equipment	
d	Bank interest received	✓
e	Fees from customers	✓
f	Discount received	✓
g	Accrued expenses	

**Question 3**

a	Wages	✓
b	Electricity	✓
c	Prepaid rent (rent paid in advance for the next two months)	
d	Rent	✓
e	Cash at bank	
f	Discount allowed	✓
g	Advertising	✓

**Question 4**

a	Prepaid Insurance (insurance paid for the next 12 months)	
b	Telephone (calls made)	✓
c	Office furniture	
d	Electricity	✓
e	Wages	✓
f	Advertising	✓
g	Insurance	✓

**Question 5**

Loan from a bank	A	<b>L</b>	I	E	(EQ)
Fees earned by a business	A	L	<b>I</b>	E	(EQ)
Discount allowed	A	L	I	<b>E</b>	(EQ)
Cash at bank	<b>A</b>	L	I	E	(EQ)
Wages	A	L	I	<b>E</b>	(EQ)
Accounts payable	A	<b>L</b>	I	E	(EQ)
Drawings	A	L	I	E	<b>(EQ)</b>
Accounts receivable	<b>A</b>	L	I	E	(EQ)
Electricity	A	L	I	<b>E</b>	(EQ)
Inventory	<b>A</b>	L	I	E	(EQ)
Prepaid rent (rent paid for the <b>next</b> month)	<b>A</b>	L	I	E	(EQ)
Office furniture	<b>A</b>	L	I	E	(EQ)
Sales	A	L	<b>I</b>	E	(EQ)
Office equipment	<b>A</b>	L	I	E	(EQ)
Accrued expenses	A	<b>L</b>	I	E	(EQ)
Telephone calls	A	L	I	<b>E</b>	(EQ)
Motor vehicle	<b>A</b>	L	I	E	(EQ)
Rent	A	L	I	<b>E</b>	(EQ)
Discount received	A	L	<b>I</b>	E	(EQ)
Prepaid insurance	<b>A</b>	L	I	E	(EQ)