**8** Felix drew $200 out of his business bank account in order to top up his petty cash float.

When recording this transaction in his cash book he reversed the entries.

Despite this error the bank balance showing in his cash book was equal to the balance on his bank statement at the same date.

How was this possible?

**A** There was an uncredited deposit of $200.

**B** There was an uncredited deposit of $400.

**C** There was an unpresented cheque for $200.

**D** There was an unpresented cheque for $400.


**9** A business had calculated a draft profit for the year.

The following items have been discovered.

1 A customer has been declared bankrupt and is unable to pay the amount they owe.

2 Unsold goods on sale or return basis have been included in inventory.

3 Rent paid in advance has not been included.

4 The owner's cash drawings have been entered into the owner's capital account.

Which of these need to be adjusted to calculate the correct profit for the period?

**A** 1 and 2     **B** 1 and 3 only     **C** 1, 3 and 4     **D** 2 and 3


**10** The following information has been extracted from the statement of financial position of a sole trader at 31 March 2021.

| | $ |
|---|---|
| non-current assets | 130 000 |
| current assets | 32 000 |
| current liabilities | 18 000 |
| non-current liabilities | 25 000 |
| profit for the year ended 31 March 2021 | 20 000 |
| drawings | 15 000 |

What was the balance on the capital account at 31 March 2021?

**A** $114 000     **B** $119 000     **C** $124 000     **D** $167 000