

- 8 In the books of a trader, discounts received of \$1400 have been posted correctly in the suppliers' accounts but debited in the discounts allowed account.

What are the correcting entries?

	account to be debited	\$	account to be credited	\$
A	suspense	2800	discounts allowed discounts received	1400 1400
B	discounts allowed discounts received	1400 1400	suspense	2800
C	discounts received	1400	discounts allowed	1400
D	discounts allowed	1400	discounts received	1400

- 9 The bank statement of a business shows an overdraft of \$250 at the year end.

There are cheques written but not yet cleared by the bank amounting to \$140.

Lodgements not yet credited by the bank amount to \$220.

How would the balance in the cash book be shown in the balance sheet?

		\$
A	current asset	170
B	current asset	330
C	current liability	170
D	current liability	330

- 10 The trial balance totals are:

debit \$500 150 credit \$500 000

Which error could have caused the difference?

- A** A credit purchase has only been recorded in a creditor's account.
- B** A credit sale has not been recorded.
- C** A cash sale has only been recorded in the sales account.
- D** A credit sale has only been recorded in a debtor's account.