

- 8** The cash book of a business shows a credit balance of \$12 500 at 30 June. Bank charges of \$2000 have not yet been entered in the cash book.

A cheque for \$20 000 received from a debtor, and a cheque for \$3000 paid to a creditor have been entered in the cash book, but have not yet been shown on the bank statement.

What is the balance shown on the bank statement at 30 June?

- A** \$2500 credit
- B** \$2500 debit
- C** \$31 500 credit
- D** \$31 500 debit

- 9** Closing inventory has been overvalued.

What is the effect on the financial statements?

	net current assets	profit from operations
<b>A</b>	overstated	overstated
<b>B</b>	overstated	understated
<b>C</b>	understated	overstated
<b>D</b>	understated	understated

- 10** What is the main use of a computerised age analysis of debtors?

- A** aid debt collection procedures
- B** match sales invoices against orders
- C** reconcile sales ledger balances
- D** show credit notes issued