

- 9 A business has a bank overdraft of \$4800.

It pays for materials invoiced, \$3000, less a trade discount of 20% and a settlement discount of 5%.

A cheque for \$500 is received from a credit customer.

What is the bank balance after these transactions?

- A** \$2020 overdraft
B \$6580 overdraft
C \$7150 overdraft
D \$7580 overdraft
- 10 How are closing inventory and loss for the year treated in the financial statements of a sole trader?

	closing inventory	loss for the year
A	asset in statement of financial position credit in income statement	debit in capital account credit in income statement
B	asset in statement of financial position credit in income statement	debit in income statement credit in capital account
C	debit in income statement liability in statement of financial position	debit in capital account credit in income statement
D	debit in income statement liability in statement of financial position	debit in income statement credit in capital account