

**GRADE 8 GUIDE QUESTIONS ON SUBSIDIARY JOURNALS (pgs 62 -70)**

1. SUBSIDIARY JOURNALS ARE ALSO CALLED \_\_\_\_\_ OR \_\_\_\_\_.
2. WHAT ARE SUBSIDIARY JOURNALS USED FOR, FOR THE FIRST TIME?  
\_\_\_\_\_
3. NAME THE SOURCE DOCUMENT USED TO ENTER TRANSACTIONS INTO EACH OF THE FOLLOWING JOURNALS:
  - A. DEBTORS JOURNAL \_\_\_\_\_
  - B. CREDITORS JOURNAL \_\_\_\_\_
  - C. CASH RECEIPTS JOURNAL \_\_\_\_\_
  - D. CASH PAYMENTS JOURNAL \_\_\_\_\_
4. NAME THE SOURCE DOCUMENT WHICH IS ISSUED WHEN GOODS ARE SOLD ON CREDIT, SO THAT CUSTOMERS WILL PAY AT A LATER DATE.  
\_\_\_\_\_
5. NAME THE SOURCE DOCUMENT ISSUED WHEN GOODS ARE PURCHASED ON CREDIT, AND WILL ONLY BE PAID FOR AT A LATER DATE.  
\_\_\_\_\_
6. SOURCE DOCUMENTS ARE ENTERED IN JOURNALS IN WHAT 2 TYPES OF ORDER?  
\_\_\_\_\_
7. WHAT IS A GENERAL LEDGER?  
\_\_\_\_\_
8. WHAT TYPE OF TRANSACTIONS ARE RECORDED IN A CASH JOURNAL?  
\_\_\_\_\_
9. NAME THE TWO SECTIONS OF A CASH JOURNAL.  
\_\_\_\_\_  
\_\_\_\_\_
10. WHAT IS A SERVICE BUSINESS?  
\_\_\_\_\_
11. CASH RECEIVED INTO THE BUSINESS IS RECORDED IN THE \_\_\_\_\_
12. CASH PAID OUT OF THE BUSINESS IS RECORDED IN THE \_\_\_\_\_
13. LIST THE SOURCE DOCUMENTS FOR RECEIVING CASH  
\_\_\_\_\_  
\_\_\_\_\_
14. LIST THE SOURCE DOCUMENTS FOR PAYING CASH  
\_\_\_\_\_  
\_\_\_\_\_
15. EFT STANDS FOR \_\_\_\_\_
16. AN EXCHANGE BETWEEN BUYERS AND SELLERS IN MONEY VALUE IS CALLED \_\_\_\_\_
17. EVIDENCE THAT A TRANSACTION HAS TAKEN PLACE IS SHOWN BY \_\_\_\_\_
18. WHAT IS A TRIAL BALANCE?  
\_\_\_\_\_
19. WHAT IS A TRIAL BALANCE USED TO CHECK?  
\_\_\_\_\_
20. NAME THE SYSTEM THAT A TRIAL BALANCE MUST CHECK CORRECTNESS ON?  
\_\_\_\_\_
21. A REPORT THAT SHOWS THE INCOME, EXPENSES, AND PROFIT OR LOSS OF A BUSINESS FOR FINANCIAL PERIOD IS \_\_\_\_\_
22. A REPORT WHICH SHOWS THE FINANCIAL POSITION OF A BUSINESS AT A POINT IN TIME IS \_\_\_\_\_
23. STATE THE ACCOUNTING EQUATION \_\_\_\_\_

## Cash register slips (till slips)

A cash register slip is a proof that a transaction has taken place. The slip gives information about where the item was purchased, at what date it was purchased, what was purchased, how much it cost and the amount of change given. Cash registers have two rolls on which till slips are printed. The one roll prints out the customer's till slips. The other roll prints out duplicates of all the transactions. This roll remains inside the cash register. We call this a cash register roll.

At the end of the day, the total of the cash register roll should correspond with the total amount of money in the cash register less the cash float. The cash register roll is used as the source document to record all receipts for the day.

The following is an example of a cash register slip.

FIVE WAYS CORNER STORE	
041 5823086	
Vat reg. 222386	
Retain as proof of purchase	
PLUMS	R22.99
BANANAS	R36.99
CARRIER BAG	R0.40
SUGAR BROWN	R21.99
BALANCE DUE	R121.97
VAT	R6.71
TOTAL	R130.68
Cashier Name Robert	
CoE #456 11.57.22	
Thankyou for shopping	

A cash register slip

### Remember

A cash register roll records cash received through the cash register, e.g. a sale or a service. A receipt records cash received that does not go through the cash register. For example, a tenant of a business would not go to the shop to pay rent at the cashier!

TERM 1

### Activity 1 Use source documents

- 1 Use the following source document to answer questions 1.1 to 1.4.

<b>RECEIPT</b>	<b>NO: 12</b>
	<u>31 January 2011</u>
Received from: <u>Abigale Ndlovu</u>	
For: <u>Rent</u>	
The amount of: <u>Five thousand rand</u>	<b>Rand</b>
<u>None</u>	<b>Cents</b>
<u>Mary Jacobs</u>	
On behalf of Blouberg Traders	<b>R5 000.00</b>

- 1.1 When is a receipt issued? (1)  
1.2 To whom is the receipt issued? (1)  
1.3 For what is the receipt issued and for what amount? (1)  
1.4 If you paid someone cash, why would you want a receipt? (1)

- 2 Use source document A below to answer the questions.
  - 2.1 Where were the items on this document bought? (1)
  - 2.2 Why is this document a tax invoice? (1)
  - 2.3 Did the person pay tax on all the items he or she bought? Why or why not? (1)
  - 2.4 How much VAT did the person pay? (1)
- 3 Use source document B below to answer the questions.
  - 3.1 What is the document used for? (1)
  - 3.2 What is the branch and branch code of the bank? (1)
  - 3.3 What type of account is it? (1)
  - 3.4 What is the total amount of the deposit? (1)
  - 3.5 Why do you think the bank wants to know whether you have deposited money in cash notes, coins or cheques? (1)

Source document A

PLEASE RETAIN AS YOUR GUARANTEE

**HILLVILLE SUPERETTE**

CASHIER: NINA PINTA      20/07/2007

SPONGE (MEDIUM)	6.55
SPONGE (MEDIUM)	6.55
VODAGO AIRTIME	25.00
POLISH	8.95
<b>TOTAL BEFORE VAT</b>	<b>47.05</b>
VAT	6.59
<b>TOTAL DUE</b>	<b>53.64</b>
CASH	60.00
CHANGE	6.36

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TAX INVOICE  
 VAT REG NO. 4090505072  
 VAT @ 14%      6.59  
 NON-TAXABLE INDICATOR      #

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TOTAL ITEMS      4  
 THANK YOU      16H29

Source document B

**Account deposit**

25 44-5874/01 356 28/05 4-3571

Name V Sibisi      Date 10-07-2007

Branch Hillville

Branch No. 320509

Account No. 975107721944

Type of account     Cheque     Savings     Loan     Time deposit

NB: List money/postal orders individually under cheques

Notes	100 00
Coins	
<b>Sub-total</b>	<b>100 00</b>

Cheques deposited	Branch No.	
<b>T E Sibisi</b>	<b>989567</b>	<b>100 00</b>
<b>Sub-total</b>		<b>100 00</b>

Details of depositor

Name (Print) V Sibisi      Total credit 200 00

Reference

Dialling code and telephone number (022 7810511

Subject to conditions printed overleaf  
 Signature *V Sibisi*

For office use only	BD Transmission date	Sub tran Code
	D D M Y Y Y Y	

**Total: 13 marks**

## Cheques

A cheque is a written order to a bank to pay a specific sum of money from a current (cheque) bank account to the person whose name is written on the cheque (the payee). The business keeps the cheque counterfoil in order to record the information in its books.

A cheque can be issued for:

- Payment of expenses
- Purchase of fixed assets
- Purchase of trading stock
- Payment to a creditor.

There are three parties to a cheque:

- The drawer is the person or business who issues the cheque.
- The payee is the person or business to whom the cheque is paid.
- The drawee is the bank that is instructed by the drawer to make the payment to the payee.

When a business writes out a cheque it should:

- have more than one person sign a cheque to prevent fraud
- as far as possible, not write out a cash cheque because if the cash cheque is lost, anybody can withdraw the amount
- do all payments by cheque and not out of the cash register.

## Cheque counterfoils

The cheque counterfoil is the part of the cheque that remains in the cheque book that is used to record transactions from. The cheque counterfoil contains a summary of all information that appears on a cheque. Each cheque has a counterfoil that is bound into the cheque book and cannot be removed. A perforated line separates the cheque and the counterfoil so that the cheque can be removed with ease from the cheque book, after it has been completed.

The following is an example of a cheque and a counterfoil.

The diagram shows a cheque from Atlantic Bank, dated 10 January 2004, payable to Nomsa Goba for R100.00. The cheque is crossed and includes a MICR line at the bottom. The counterfoil on the left contains a summary table of transactions.

	R	C
B. FORWARD	100.00	
DEPOSITS		
TOTAL		
THIS CHEQUE	100.00	
TOTAL		
DEBITS		
BALANCE	200.00	

Labels on the cheque and counterfoil include: name of branch (Atlantic Bank), branch number (20-18-09-13), date (10 JANUARY 2004), payee (Nomsa Goba), amount (One hundred rand only / R100,00), signature (S Goba), account number (00632 3262189 360 789 456 28), and counterfoil completion notes.

## Activity 2

## Use source documents

Use the following source document to answer the questions.

Date Datum	07-07-2007		345-989-567	
To Aan	V Sibisi		Date Datum	
Balance b/f Saldo o/b	1350.00	HILLVILLE	NOT REINSPEKTEER or Bearer of TENDER	
Amount paid in Bedrag inbetaal		Pay Betaal		
Balance Saldo		the sum of die bedrag van	One hundred rand only	R 100-00
Other debits Ander debiete		_____ T E Sibisi		
Balance Saldo				
This cheque Hierdie tjek	100.00	_____ T E Sibisi		
Balance c/f Saldo o/d	1250.00			
00632		#00632; 0 26 456 37 78 0000451		

- 1 What is the document called? (1)
- 2 What is it used for? (1)
- 3 What is Mrs Sibisi's bank account number? (1)
- 4 Why is the amount written in words and in numbers? (2)
- 5 Why has the cheque been crossed? (2)
- 6 Which part of the cheque did Mrs Sibisi keep for her own records? (1)

Total: 8 marks

## Bank statements

A bank statement is a record of the account holder's transactions over a set period of time.

## Bank accounts

All business use some type of bank account. Examples of bank accounts include savings accounts, transmission accounts, fixed investment accounts, credit card accounts and current accounts (cheque accounts). Every time the business does a transaction via the bank, it will have an impact on the bank account of the business.

## Bank statements as source documents

The bank records all its clients' transactions. At least once a month the bank sends clients a statement that shows a record of transactions. This is called a bank statement. Often a business's cash entries and the entries made on the bank statement are not exactly the same. The reason for this is that the business might not have seen certain charges, such as bank charges until it receives the bank statement. Another reason could be that there are cash entries that the bank has not yet recorded, because some cheques have not yet been cashed, although the business has recorded the amount as having been paid.

The following is an example of a bank statement.

**BIG BUCKS BANK**  
SCOTTBURGH BRANCH

Date: 30 June 2013

Mr V. Mali  
P.O. Box 549  
Scottburgh 4180

Statement number: 23  
Account number: 4053372267

Date	Details	Debits	Credits	Balance
June 01	Balance b/f			8 000,00
June 01	Service fee	*19,55		7 980,45
June 01	Cash deposit fee	* 5,00		7 975,45
June 01	Deposit		1 920,00	9 895,45
June 02	Deposit		530,15	10 425,58
June 05	Ch 0132	2 500,00		7 925,58
June 06	Deposit		5 000,75	12 926,33
June 09	ATM: Scottburgh	1 500		11 426,33
June 10	Ch 0134	300		11 126,33
June 13	Deposit		230,89	11 357,22
June 18	Deposit		3 479,25	14 836,47
June 25	ATM: Durban	1 500		13 336,47
June 30	Internet fee	*11,00		13 325,47
June 30	Interest		29,00	13 354,47

\*14% VAT included

### Cash invoices

Some businesses do not use a cash register to issue slips as proof of goods bought but use a cash invoice instead. Cash invoices are normally done on a computer and printed out. They contain important information, such as quantity, description, unit price and amount.

The document on the right is an example of a cash invoice.

CASH INVOICE			
Kelvin Carpet Cleaners		No: 124.	
17 Glebe Road		Date: 17 June 2012	
Hilltown, 1854			
Quantity	Details	Rate	Total
	Clean one rug		R120.00
	Clean main bedroom carpet	R120.00	240.00
			<b>R360.00</b>
Signature:			

### Activity 3 Analyse a bank statement and cash invoice

1 Read the following bank statement and answer the questions below.

**Information:**

Makeloi Modise started her own bookshop with a capital payment on 15 March 2013. She used most of her capital to buy books from Big Books Suppliers.

TERM 1

Makeloi received the following bank statement in the mail, and has asked you to help her understand the statement.

<b>BANK STATEMENT</b>				
Makeloi Books Shop 910 Santam Centre Summerstrand Port Elizabeth, 6002			Great National Bank Summerstrand Branch Summerstrand Port Elizabeth 6001 31 March 20.3	
Statement period: 10 March 20.3 to 31 March 20.3				
Account number: 4875 39874 Current account				
Date	Details	Debit	Credit	Balance
15	Cheque deposit		25 000,00	25 000,00 Cr
20	Cheque 001	18 500,00		6 500,00 Cr
	Stop order – insurance	687,20		5 812,80 Cr
21	Cheque 002	480,80		5 332,00 Cr
23	Internet transfer – S. Mloi		250,00	5 582,00 Cr
	Stop order – rent payment	1 350,00		4 232,00 Cr
24	Cash deposit		3 750,00	7 982,00 Cr
	Cash handling fees	37,50		7 944,50 Cr
	Electronic transfer: R Pule (salary)	2 472,08		5 472,42 Cr
31	Interest on credit balance		15,70	5 488,12 Cr
	Service fees	120,50		5 367,62 Cr
	Month-end balance			5 367,62 Cr

- 1.1 What is the name of Makeloi's bookshop? (1)
- 1.2 At which bank does Makeloi have a bank account? (1)
- 1.3 What kind of bank account did Makeloi open and when did she open it? (2)
- 1.4 Give the physical address for Makeloi's bookshop. (1)
- 1.5 What was Makeloi's capital contribution? (1)
- 1.6 What was the initial cost of books Makeloi bought? (1)
- 1.7 How many people does Makeloi employ in the shop and what are they paid? (2)
- 1.8 Why did Makeloi receive interest? (1)
- 1.9 What is the rent Makeloi paid this month? (1)
- 1.10 What is the month-end balance on the bank account? (1)
- 1.11 In which column in the bank statement are deposits shown? (1)
- 1.12 What is the difference between a stop order and a debit order? (4)
- 1.13 How much did Makeloi have to pay the bank for service fees? (3)
- 1.14 What is the accounting term for service fees charged by the bank? (1)

2 Look carefully at the following cash invoice and answer the questions below.

<b>TAX INVOICE</b>				
To Vuyo Sibisi		Date 20 July 2007	049	
From Star Suppliers				
Address 58 Clean street, Hillville		V.A.T. Reg. No. 457543454		
Quantity	Description	Code	Unit price	Amount
2	Plastic buckets	256798	R 26,60	R 53,20
4	Star wash cleaning cloths	256745	R 5,60	R 22,40
4	Star wash cleaning liquid	256766	R 7,50	R 30,00
2	Star wash car polish	256751	R 9,99	R 19,98
			Sub-total	R 125,58
			%VAT	R 17,58
			TOTAL	R 143,16
Terms 30 Days				
<small>Delete or complete as applicable</small>				

- 2.1 What is the unit price of the buckets? (1)
- 2.2 Why do you think the items have codes? (1)
- 2.3 What is the total amount, excluding VAT, that the person spent at Star Suppliers? (1)
- 2.4 On what terms did they buy the goods? (1)

Total: 25 marks