

TERM 4 REVISION ACTIVITIES LEARNER'S COPY (page 1 – 11)

REVISION ACTIVITY NO. 1 (CPJ, CJ AND CAJ)

B. Brook started a bookshop with the name “**Incredible books**”.

Use the information to complete the following:

1. The **Cash Payments Journal** with columns for Bank, Trading stock, Creditors Control and Sundry Accounts.
2. The **Creditors Journal** and **Creditors Allowances Journal** with columns for Creditors control, Trading stock, Stationery and Sundry Accounts.
3. Post the 3 journals to the accounts in the General Ledger as well as the Creditors Ledger. Balance the accounts where applicable.
4. Check the accuracy of your work by completing the Creditors' list on the last day of the month.
5. USE THE ANSWER SHEETS PROVIDED.

Some of the transactions for January 2014:

- 1 Bought books (trading stock) from ABC Publishers on credit, R12 500 and receive their invoice no. Z132. Re-number this external invoice to C01 for filing purposes.
- 6 Bought books (trading stock), R5 100 and stationery for office use, R340 from Dladla Wholesale Stationers and receive their credit invoice, no. SS128 for the total amount. Re-number this external invoice for filing purposes.
- 10 Repaired the business vehicle on credit at Pit Stop Garage and received their credit invoice, nr. PS139 for R2 700. Re-number this external invoice.
- 12 Sent a debit note no. CN331 to Pit Stop Garage for R200, to correct a mistake made on the original invoice of 10 January. Received their Credit note and an apology for the mistake they have made.
- 18 Bought the following on credit from “Books for Africa”:
Goods for re-sale, R5 700
Stationery for office use, R310
One shelf, R1 200
Received their invoice no. AA2034 and re-number it.
- 20 Bought Trading Stock from ABC Publishers and issued cheque no. 220 for the amount of R2 300.
- 23 Bought books from Dladla Wholesalers on credit:
For re-sale, R8 300
For the owner's children, R290
Receive invoice no. RR239 for the total amount.
- 25 Returned books with missing pages to Dladla Wholesalers, together with a debit note for the cost price of the books, R540.
- 30 Issued cheque no 221 to pay ABC Publishers for the purchases made on 1 January.
- 31 Issued a cheque to pay Dladla Wholesalers for the purchases made on 6 January.
Issued a cheque to pay the amount owed to Pit Stop Garage.

Cash Payments Journal of Incredible Books for January 20....

CPJ 5

Doc no.	Day	Name of payee	Fol.	Bank		Trading stock		Creditors control		Sundry accounts		
										Amount	Fol.	Details

Creditors' Journal of Incredible Books for January 20...

CJ 5

Doc no.	Day	Creditor	Fol.	Creditors control		Trading stock		Stationery		Sundry accounts		
										Amount	Fol.	Details

Creditors Allowances Journal of Incredible Books for January 20...

CAJ 5

Doc no.	Day	Creditor	Fol.	Creditors control		Trading stock		Stationery		Sundry accounts		
										Amount	Fol.	Details

General Ledger of Incredible Books

Balance Sheet Section

Dr	Drawings								B2	Cr

Dr	Equipment								B3	Cr

Dr	Trading Stock								B4	Cr

Dr	Creditor's Control								B5	Cr

Dr	Bank								B6	Cr

Nominal Section

Dr	Stationery								N4	Cr

Dr	Vehicle repairs								N5	Cr

Creditors' Ledger of Incredible Books

ABC Publishers

C1

Date	Day	Details	Fol	Debit	Credit	Balance

Dladla Wholesalers

C2

Date	Day	Details	Fol	Debit	Credit	Balance

Pit Stop Garage

C3

Date	Day	Details	Fol	Debit	Credit	Balance

Books for Africa

C4

Date	Day	Details	Fol	Debit	Credit	Balance

Creditor's list of Incredible Books on 31 January 20.... :

REVISION ACTIVITY NO. 2 (CRJ, DJ, DAJ + Trial Balance)

Use the information to complete the following in the books of “DJ’s Music Store”:

1. The Cash Receipts Journal (CRJ12) with columns for Analysis of receipts, Bank, Sales, Cost of Sales, Debtor’s Control and Sundry Accounts.
2. The Debtor’s Journal (DJ12) and Debtors Allowance Journal (DAJ12).
3. Post the journals to the few accounts provided in the General Ledger as well as the Debtors’ Ledger. Balance the accounts where applicable.
4. Check the accuracy of your work by completing the Debtors’ list on the last day of the month.
5. Draw up a Trial Balance on 31 December 20...
5. **Mark-up is always 50%.**

Balances on 1 December 20..:

Capital	B1	R89 600
Trading stock	B2	R48 800
Debtors control	B3	R 3 500
Bank	B4	R45 600
Sales	N1	R24 900
Cost of sales	N2	?

Debtors Ledger:

S. Samson	D1	R 2 400
C. Cool	D2	R 1 100

Some of the transactions of “DJ’s Music Store” for December 20..:

- 1 The owner, Mr. DJ Jackson increased his capital with R50 000, deposited directly into the business account at ABC Bank. Issued receipt no. 350. Cash sales per cash register roll, R3 000. (Mark-up is always 50%)
- 4 Sold trading stock on credit to S. Samson, R1 200. (Determine cost of sales). Issued the original invoice no. D400.
- 5 S. Samson returned 3 CDs that were wrongly added to his order of 4 December, R600. Issued credit note no. CN44 for the amount.
- 11 Sold trading stock on credit to C. Cool, R900. (Invoice no. ?). Determine the cost of sales.
- 12 C. Cool returned goods that were totally damaged by the courier on delivery, R250. It is not possible to sell these goods again to any other customer. Issued the next credit note for this amount. Number all source documents on your own.
- 15 Goods sold on account to M. Moon, R1 800. Determine the cost of sales.
- 18 Cash sales for the day, R9 000. (Cost of Sales?)
- 25 Sold goods on credit to S. Samson, R1 500. (Cost of sales?)
- 30 Received R700 from M Moon as payment of his account. Issued a receipt. Received rent from the tenant, P Malan, R1 700.
- 31 Received an amount from C. Cool to settle his account. Issued a receipt to S. Samson for paying R1 000 on his account.

Cash Receipts Journal of DJ's Music Store for December 20

CRJ 12

Doc no.	Day	Details	Fol.	Analysis of receipts		Bank		Sales		Cost of sales		Debtors control	Sundry accounts		
													Amount	Fol	Details

Debtors' Journal of DJ's Music Store for December 20

DJ12

Doc no.	Day	Debtors	Fol.	Sales		Cost of sales	

Debtors Allowance Journal of DJ's Music Store for December 20

DAJ12

Doc no.	Day	Debtors	Fol.	Debtors allowance		Cost of sales	

**General Ledger of DJ's Music Store
Balance Sheet Section**

Dr	Capital						B1	Cr

Dr	Trading Stock						B2	Cr

Dr	Debtors' Control						B3	Cr

Dr	Bank						B4	Cr

Nominal Section

Dr	Sales						N1	Cr

Dr	Cost of Sales						N2	Cr

Dr	Debtors allowances								N3	Cr

Dr	Rent income								N4	Cr

Debtors' Ledger of DJ's Music Store

S. Samson

D1

Date	Day	Details	Fol	Debit	Credit	Balance

C. Cool

D2

Date	Day	Details	Fol	Debit	Credit	Balance

M. Moon

D3

Date	Day	Details	Fol	Debit	Credit	Balance

Debtor's list of DJ's Music Store on 31 December 20... :

1.2. Read the following scenario, then answer the questions that follow:

Muzi opened a spaza shop on the way to the school nearby. He invested R20 000 to start the business. He uses a profit mark-up of 35% on cost price.

To get going with his business he bought the following:

A counter, R5 500,00 and a cash register, R1 980,00 on credit from Business Equipppers.

He also bought the following, paying cash:

Two cash register rolls, Receipt book, Invoice books and pens, R360,00

Sweets, chips, cold drinks, bread, milk and other basic foods, R10 000.

By the end of the first month his cash sales were, R6 750, and his credit sales, R607,50.

QUESTIONS:

1.2.1	What is the value of his tangible / fixed assets?	(2)
1.2.2	Name <u>two</u> current assets mentioned indirectly in the scenario.	(2)
1.2.3	How much was his total income for the first month?	(2)
1.2.4	Calculate the cost of sales on his <u>cash sales</u> for the month.	(4)
1.2.5	Is 'Business Equipppers' a debtor or a creditor of Muzi's spaza shop? Explain your answer briefly:	(3)

QUESTION 1.3 ACCOUNTING EQUATION [18]

1.3 Analyse the following transactions according to the following table and the example given: (14)

E.g. Bought trading stock, R5 000, and paid by cheque.

1.3.1 The owner contributed capital, R15 000. It was deposited directly into the

1.3.2 Cashed a cheque to pay wages, R500.

1.3.3 Cash sales for the day amounted to R2 400. (Cost of sales, R1 600)

Answers:

No	Source document	Journal	Account debited	Account credited
E.g.	Cheque counterfoil	CPJ	Trading stock	Bank
1.3.1				
1.3.2				
1.3.3				

- 1.4 Study the analysis of the accounting equation and write down the original transaction of each one. (4)

No.	ASSETS		OWNERS' EQUITY		LIABILITY	
	Effect	Reason	Effect	Reason	Effect	Reason
1.4.1	+	Cash in bank increased	+	Rent income increased	0	
1.4.2	-	Cash in bank decreased	-	Water and electricity is an expense	0	

Answers:

1.4.1	
1.4.2	

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TEACHER'S GUIDE (page 12 - 20)**

**REVISION ACTIVITY NO. 1
CPJ. CJ, CAJ**

Cash Payments Journal of Incredible Books for January 20.. CPJ 5

Doc	Day	Name of payee	Fol	BANK	Trading Stock	Creditors Control	Sundry Accounts		
							Amount	Fol	Details
220	20	ABC Publishers		2 300	2 300				
221	30	ABC Publishers	C1	12 500		12 500			
222	31	Dladla Wholesalers	C2	5 000		5 000			
223	31	Pit Stop Garage	C3	2 500		2 500			
				22 300	2 300	20 000			
				B6	B4	B5			

Creditors' Journal of Incredible Books for January 20... CJ 5

Doc	Day	Creditors	Fol	Creditors control	Trading Stock	Stationery	Sundry Accounts		
							Amount	Fol	Details
C 01	1	ABC Publishers	C1	12 500	12 500				
C 02	6	Dladla Wholesalers	C2	5 440	5 100	340			
C 03	10	Pit Stop Garage	C3	2 700			2 700	N5	Vehicle repairs
C 04	18	Books for Africa	C4	7 210	5 700	310	1 200	B3	Equipment
C 05	23	Dladla Wholesalers	C2	8 590	8 300		290	B2	Drawings
				36 440	31 600	650	4 190		
				B5	B4	N4			

Creditors Allowances Journal of Incredible Books for January 20... CAJ 5

Doc no.	Day	Creditors	Fol	Creditors control	Trading Stock	Stationery	Sundry Accounts		
							Amount	Fol	Details
CN331	12	Pit Stop Garage	C3	200			200	N5	Vehicle repairs
CN332	25	Dladla Wholesalers	C2	440	440				
				640	440		200		
				B5	B4				

These journals will be posted to the ledgers as follows:

General Ledger of Incredible Books

Balance Sheet Section

Dr		Drawings				B2				Cr
20.. Jan	23	Creditors control	CJ5	290	00					

Dr		Equipment				B3				Cr
20.. Jan	18	Creditors control	CJ5	1 200	00					

Dr		Trading Stock				B4				Cr	
20.. Jan	31	Bank	CPJ5	2 300	00	20.. Jan	31	Creditors control	CAJ	440	00
	31	Creditors control	CJ 5	31 600	00			Balance	c/d	33 460	00
				33 900	00					33 900	00
Feb	1	Balance	b/d	33 460	00						

Trading stock bought cash: R2 300 and Trading stock bought on credit: R 31 600

Dr		Creditor's Control				B5				Cr	
20.. Jan	31	Sundry/Creditors allowances	CAJ5	640	00	20.. Jan	31	Sundry purchases	CJ5	36 440	00
	31	Bank	CPJ5	20 000	00						
	31	Balance	c/d	15 800	00						
				36 540	00					36 540	00
						Feb	1	Balance	b/d	15 800	00

Amounts paid up to date: R20 000 Owed to creditors for items bought on credit: R36 440
 Amount owed to creditors at the beginning of Febr: R15 800

Dr		Bank				B6				Cr	
						20.. Jan	31	Total payments	CPJ5	22 300	00

Nominal Section

Dr		Stationery				N4				Cr
20.. Jan	28	Creditors control	CJ5	650	00					

Dr						Vehicle repairs						N5		Cr	
20..	Jan	10	Creditors control	CJ5	2 700	00	20..	Jan	12	Creditors control	CAJ	200	00		
								31	Balance	c/d		2 500	00		
					2 700	00						2 700	00		
Feb	1		Balance	b/d	2 500	00									

Creditors' Ledger of Incredible Books

ABC Publishers

C1

Date	Day	Details	Fol	Debit		Credit		Balance	
20..	Jan	1	Invoice no. C01	CJ5		12 500	00	12 500	00
		30	Cheque no. 221	CPJ5	12 500	00		-	-

The credit entry was made when the business bought on credit from ABC Publishers (a liability was created of R12 500). When the business paid this amount a debit entry was made (L-)

Dladla Wholesalers

C2

Date	Day	Details	Fol	Debit		Credit		Balance	
20..	Jan	6	Invoice no. C02	CJ5		5 440	00	5 440	00
		23	Invoice no. C05	CJ5		8 590	00	14 030	00
		25	Debit note no. CN332	CAJ5	440	00		13 590	00
		31	Cheque no. 222	CPJ5	5 000	00		8 590	00

Pit Stop Garage

C3

Date	Day	Details	Fol	Debit		Credit		Balance	
20..	Jan	10	Invoice no. C03	CJ5		2 700	00	2 700	00
		12	Debit note no. CN331	CAJ5	200	00		2 500	00
		31	Cheque no. 223	CPJ5	2 500	00		-	-

Books for Africa

C4

Date	Day	Details	Fol	Debit		Credit		Balance	
20..	Jan	18	Invoice no. C04			7 210	00	7 210	00

Note that the final balances of the creditors' accounts should add up to the same total as the final balance of the Creditor's control account.

Creditor's list of Incredible Books on 31 January 20.. :

C1	ABC Publishers	-	-
C2	Dladla Wholesalers	8 590	00
C3	Pit Stop Garage	-	-
C4	Books for Africa	7 210	00
		15 800	00

The total amount owed to Creditors on 31 January 20.. = R15 800

The same as the final balance of the Creditors' Control account in the general ledger of Incredible Books = R15 800 Cr

REVISION ACTIVITY NO. 2 (CRJ, DJ, DAJ + Trial Balance)

Debtors' Journal of DJ's Music Store for December 20 ..

DJ 12

Doc	Day	Debtors	Fol	Sales		Cost of Sales	
D400	4	S. Samson	D1	1 200	00	800	00
D401	11	C. Cool	D2	900	00	600	00
D402	15	M. Moon	D3	1 800	00	1 200	00
D403	25	S. Samson	D1	1 500	00	1 000	00
				5 400	00	3 600	00
				B3/N1		B2/N2	

If goods were always marked at cost + 50%, the total of the Cost of Sales column can be checked as follows: $\frac{5\,400}{1} \times \frac{100}{150} = 3\,600$

Debtors Allowance Journal of DJ's Music Store for December 20 ..

DAJ 12

Doc	Day	Debtors	Fol	Debtors allowance		Cost of Sales	
CN44	5	S. Samson	D1	600	00	400	00
CN45	12	C. Cool	D2	250	00	-	-
				850	00	400	00
				B3/N3		B2/N2	

Cash Receipts Journal of DJ's Music Store for December 20 .. CRJ 12

Doc	Day	Details	Fol	Analysis of Receipts	BANK	Sales	Cost of Sales	Debtor's Control	Sundry Accounts		
									Amount	Fol	Details
350	1	DJ Jackson			50 000				50 000	B1	Capital
CRR		Sales		3 000	3 000	3 000	2 000				
CRR	18	Sales		9 000	9 000	9 000	6 000				
351	30	M. Moon	D3	700				700			
352		P. Malan		1 700	2 400				1 700	N4	Rent Income
353	31	C. Cool	D2	1 750				1 750			
354		S. Samson	D1	1 000	2 750			1 000			
					67 150	12 000	8 000	3 450	51 700		
					B4	N1	B2/N2	B3			

General Ledger of DJ's Music Store

Balance Sheet Section

Dr				Capital				B1		Cr	
						20.. Dec	1	Balance	b/d	89 600	00
								Bank	CRJ12	50 000	00
										139 600	00

Dr				Trading Stock				B2		Cr	
20.. Dec	1	Balance	b/d	48 800	00	20.. Dec	31	Cost of Sales	CRJ12	8 000	00
	31	Cost of sales	DAJ12	400	00		31	Cost of Sales	DJ12	3 600	00
							31	Balance	c/d	37 600	00
				49 200	00					49 200	00
Jan	1	Balance	b/d	37 600	00						

Trading stock sold for cash: R8 000, and Trading stock sold on credit: R3 600

Dr				Debtors' Control				B3		Cr	
20.. Dec	1	Balance	b/d	3 500	00	20.. Dec	31	Bank	CRJ12	3 450	00
	31	Sales	DJ12	5 400	00		31	Debtors Allowances	DAJ12	850	00
							31	Balance	c/d	4 600	00
				8 900	00					8 900	00
Jan	1	Balance	b/d	4 600	00						

Owed by Debtors for items bought on credit: R5 400 (Asset +)

Amounts paid up to date: R3 450 (Asset -)

Dr		Bank				B4				Cr
20.. Dec	1	Balance	b/d	45 600	00					
	31	Total Receipts	CRJ12	67 150	00					
				112 750	00					

Nominal Section

Dr		Sales				N1				Cr	
						20.. Dec	1	Total/Balance	b/d	24 900	00
							31	Bank	CRJ12	12 000	00
							31	Debtors' Control	DJ12	5 400	00
										42 300	00

Dr		Cost of Sales				N2				Cr	
20.. Dec	1	Balance	b/d	*16 600	00	20.. Dec	31	Trading Stock	DAJ12	400	00
	31	Trading Stock	CRJ12	8 000	00			Balance	c/d	27 800	00
	31	Trading Stock	DJ12	3 600	00						
				28 200	00					28 200	00
Jan	1	Balance	b/d	27 800	00						

* Opening balance of Cost of Sales: $\text{Sales} \times \frac{100}{150} = 24\,900 \times \frac{100}{150} = \text{*R16 600}$

Dr		Debtors allowances				N3				Cr
20.. Dec	31	Debtors control	DAJ12	850	00					

Dr		Rent income				N4				Cr	
						20.. Dec	30	Bank	CRJ12	1 700	00

Debtors' Ledger of DJ's Music Store

S. Samson

D1

Date	Day	Details	Fol	Debit		Credit		Balance	
20.. Dec	1	Account rendered						2 400	00
	4	Invoice no. D400	DJ12	1 200	00			3 600	00
	5	Credit note no. CN44	DAJ12			600	00	3 000	00
	25	Invoice no. D403	DJ12	1 500	00			4 500	00
	31	Receipt no. 354	CRJ12			1 000	00	3 500	00

C. Cool

D2

Date	Day	Details	Fol	Debit		Credit		Balance	
20.. Dec	1	Account rendered						1 100	00
	11	Invoice no. D401	DJ12	900	00			2 000	00
	12	Credit note no. CN45	DAJ12			250	00	1 750	00
	31	Receipt no. 353	CRJ12			1 750	00	-	-

M. Moon

D3

Date	Day	Details	Fol	Debit		Credit		Balance	
20.. Dec	15	Invoice no. D402	DJ12	1 800	00			1 800	00
	30	Receipt no. 351	CRJ12			700	00	1 100	00

Debtor's list of DJ's Music Store on 31 December 20.. :

D1	S. Samson	3 500	00
D2	C. Cool	-	-
D3	M. Moon	1 100	00
		4 600	00

The total amount owed to Debtors on 31 January 20.. = R4 600

The same as the final balance of the Debtors' Control account in the general ledger of DJ's Music Store = R4 600 Dr balance

Trial Balance of DJ's Music Store on 31 December 20 ..

		Fol	Debit		Credit	
	Balance Sheet Section					
	Capital	B1			139 600	00
	Trading Stock	B2	37 600	00		
	Debtors control	B3	4 600	00		
	Bank	B4	112 750	00		
	Nominal Account Section					
	Sales	N1			42 300	00
	Cost of Sales	N2	27 800	00		
	Debtors allowances	N3	850	00		
	Rent Income	N4			1 700	00
			183 600	00	183 600	00

REVISION ACTIVITY NO. 3 (ACCOUNTING CONCEPTS)

1.1.

1.1.1.	C✓✓	1.1.2.	D✓✓	1.1.3.	B✓✓	1.1.4.	E✓✓	1.1.5.	A✓✓
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(10)

1.2.

1.2.1	<p>What is the value of his tangible / fixed assets?</p> <p>R5 500 ✓+ R1 980 ✓ = R7 480 OR R7 480✓✓</p>	(2)
1.2.2	<p>Name <u>two</u> current assets mentioned indirectly in the scenario.</p> <p>Trading stock ✓ and Debtors ✓</p>	(2)
1.2.3	<p>How much was his total income for the first month?</p> <p>R6 750 ✓ + R607,50 ✓ = R7 353,50 OR R7 353,50✓✓</p>	(2)
1.2.4	<p>Calculate the cost of sales on his <u>cash sales</u> for the month.</p> $\frac{6\,750\ \checkmark}{1} \times \frac{100\ \checkmark}{135\ \checkmark} = R5\,000,00\ \checkmark$	(4)
1.2.5	<p>Is 'Business Equippers' a debtor or a creditor of Muzi's spaza shop?</p> <p>Creditor ✓ Explain your answer briefly. Muzi's spaza shop owes money to Business Equippers. ✓✓</p>	(3)

QUESTION 1.3: ACCOUNTING EQUATION**[18]**

1.3

No	Source document	Journal	Account debited	Account credited
<i>E.g.</i>	<i>Cheque counterfoil</i>	<i>CPJ</i>	<i>Trading stock</i>	<i>Bank</i>
1.3.1	Duplicate receipt ✓	CRJ ✓	Bank ✓	Capital ✓
1.3.2	Chequecounterfoil ✓	CPJ ✓	Wages ✓	Bank ✓
1.3.3	Cash register roll ✓	CRJ ✓	Bank ✓	Sales ✓
			Cost of sales ✓	Trading stock ✓

(14)

1.4. Write the original transaction from the analysis:

1.4.1	Received rent from a tenant ✓✓	(2)
1.4.2	Paid the Water and electricity account ✓✓	(2)

Check the website of Vivlia Publishers in 2015 for:

- Updated activities on the latest economic news.
- Updated activities on the latest trade union activities and the impact it had on the SA economy.
- A power point presentation with photos of gr. 7 market days held in 2014.
- Extra activities on Accounting journals and posting.
- CAPS tests with answer sheets and memoranda.

Also download the following:

- The Annual Teaching plans for gr. 7-9 issued by the DoE during CAPS training. You should complete the last 3 columns after completion of every topic.
- The computerized recording sheets for gr. 7-9 with formulae. You only type in the names of learners and the marks. All calculations are done automatically, including averages and rating codes (1-7).
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