

Recording transactions to Trial Balance.

Assessment Task

Formal Assessment Task 3 (LO3 AS1-7)

Activity 1: Drawing up the CRJ, CPJ, general ledger and trial balance (Individual activity) (LO3 AS3)

The following transactions took place during the month of May 2010 in Vernon's Stationery Supplies. Do the following:

- Compile a CPJ and CRJ for the month of May 2010.
- Post the transactions of the CPJ and CRJ to the general ledger.
- Compile a trial balance.

Vernon's has a 50% mark-up.

Date	Details	Source document
1	The owner, Vernon Koekemoer, deposits R45 000 into the bank account as start-up capital	Receipt 01
2	Purchases trading stock from CNA Wholesalers, R20 000	Cheque SS01
2	Purchases shelving to the amount of R1 800 from Greenlea Fitters	Cheque SS02
4	Cash sales deposited into bank account, R4 500	Cash register roll C01
6	Pays wages to C Norris to the amount of R2 000 and J Chang to the amount of R2 500	Cheque SS03 Cheque SS04
7	Purchases trading stock from Pencils Galore, R4 650	Cheque SS05
8	Donates R100 to the Mandela Bay Children's Fund	Cheque SS06
10	Buys refreshments to the amount of R250 from Cookies 4U	Cheque SS07
13	Receives rental income from B Lee, R3 000	Receipt 02
15	Pays bank charges to Trust Bank, R80	Cheque SS08
17	Cash sales deposited into bank account, R6 000	Cash register roll C02
19	Pays wages to C Norris to the amount of R2 000 and J Chang to the amount of R2 500	Cheque SS09 Cheque SS10
21	Vernon takes drawings of R5 500 for his own use	Cheque SS11
23	Cash sales deposited into bank account, R4 200	Cash register roll C03
26	Buys trading stock from Pencils Galore, R9 550	Cheque SS12
27	Printing of brochures at Handsome Prints for R390	Cheque SS13
28	Pays water and electricity to Nelson Mandela Bay Municipality, R1 250	Cheque SS14
	Cash sales deposited into bank account, R7 500	Cash register roll C04
29	Pays telephone to Telkom, R750	Cheque SS15

Teacher assessment rubric: CRJ, CPJ, general ledger and trial balance

Criteria					Marks
Entries into CPJ entered correctly [Marks out of 4]	The learner made all the entries correctly. [4 marks]	The learner made one mistake in the CPJ. [3 marks]	The learner made two mistakes in the CPJ. [2 marks]	The learner made three or more mistakes in the CPJ. [1 marks]	
Entries into CRJ entered correctly [Marks out of 4]	The learner made all the entries correctly. [4 marks]	The learner made one mistake in the CRJ. [3 marks]	The learner made two mistakes in the CRJ. [2 marks]	The learner made three or more mistakes in the CRJ. [1 marks]	
Balances posted to general ledger [Marks out of 4]	The learner made all the entries correctly. [4 marks]	The learner made one mistake in the general ledger. [3 marks]	The learner made two mistakes in the general ledger. [2 marks]	The learner made three or more mistakes in the general ledger. [1 marks]	
Draw up trial balance	The learner made all the entries	The learner made one mistake in the	The learner made two mistakes in the	The learner made three or more	

[Marks out of 4]	correctly. [4 marks]	trial balance. [3 marks]	trial balance. [2 marks]	mistakes in the trial balance. [1 marks]	
Trial balance balanced [Marks out of 4]	Yes [4 marks]		No [0 marks]		
Total marks out of 20:					

- Level 4: 14-20 marks (70–100%) – Outstanding
Level 3: 10-13 marks (50–69%) – Achieved
Level 2: 7-9 marks (35–49%) – Partially achieved
Level 1: 1–6 marks (1–34%) – Not achieved

Activity 2: Interpreting the income statement and balance sheet (Individual activity) (LO3 AS1, AS5)

Look at the list of accounts of Kimi's Surfing Gear on 28 February 2012.

LIST OF ACCOUNTS OF KIMI'S SURFING GEAR ON 28 FEBRUARY 2008	
DETAILS	AMOUNT IN RAND
Sales	200 000
Cost of sales	100 000
Rental expense	12 000
Wages	36 000
Consumables	4 000
Insurance	8 000
Interest expense	500
Interest income	650
Telephone	6 000
Water and electricity	7 000
Advertising	12 000

a) Complete the table below to indicate where in the income statement the accounts will be listed and why. The first example has been done for you. [10 marks]

Account	Income statement		Reason
	Debit	Credit	
Example: Sales		200 000	Income that increases
a) Rental expense			
b) Cost of sales			
c) Wages			
d) Interest income			
e) Advertising			

b) When you write the notes to a balance sheet, what would you include under cash and cash equivalents? [2 marks]

c) How do you get to the final amount for owner's equity? [2 marks]

d) How do you know when your balance sheet balances? [2 marks]

e) Give an explanation for:

Drawings

Fixed assets

Current assets

Long-term liabilities

[4 marks]

[Total: 20 marks]

Activity 3: Legislation in the workplace (Individual activity) (LO3 AS7)

Read the information below and answer the questions that follow.

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The Skills Development Act was passed in order to develop and improve the skills of people in the workplace. The Act does the following:

- provides a framework for the development of skills of people at work
- builds these development plans/strategies into the National Qualifications Framework
- provides for learnerships that lead to recognised occupational qualifications
- provides for the financing of skills development by means of a levy-grant scheme and a National Skills Fund

(Source: www.paralegaladvice.org.za)

- a) Apart from the Skills Development Act, which three other Acts can you name that impact on the workplace? [3 marks]
- b) Explain what each of these Acts regulates. [3 marks]
- c) What is collective bargaining? [1 marks]
- d) Name three ways in which an employer can discriminate against an employee. [3 marks]
- [Total: 10 marks]

Activity 4: Class test (Individual activity) (LO3 AS1-7)

1. Explain what an income statement is. [1 mark]
2. Explain what a balance sheet reveals. [1 mark]
3. Name three objectives that could be reached by setting up a public relations department in a company. [3 marks]
4. In terms of the King II report, what is one of the seven primary characteristics of good governance that allows a business to give back to the community? [1 mark]
5. Name four benefits of corporate social responsibility for the business. [4 marks]
6. How have economic activities impacted negatively on the environment? (Name two examples.) [2 marks]
7. Indicate the source documents that will be used to journalise the following transactions:

Transaction	Source document
Goods sold for cash	
Cash received for services rendered	
Cash received for any other transaction	
Cash paid into bank account	

- [4 marks]
8. Name three features of electronic accounting software programs. [3 marks]
9. Give three reasons why a business would want to analyse its statements. [3 marks]
10. Give two reasons why paying in cash is an easier form of payment. [2 marks]
11. Name two ways in which you can buy on credit. [2 marks]
12. What is the best payment terms for a service business to maintain and why? [2 marks]
13. Name two things governed by the Basic Conditions of Employment Act. [2 marks]
- [Total: 30 marks]