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Formal Assessment: TERM 2

The formal assessment for term 2 Consists of Mid-year-examination (Paper 1 and Paper 2)

Mid-year Examination Paper 1 [50%] covers term 1 and term 2 work.

Mid-year Examination Paper 2 [50%] covers term 1 and term 2 work.

- Economy: 25%
- Entrepreneurship: 25%

Low order 30% i.e. $30\% \times 50 = 15$ marks

Middle order 50% i.e. $50\% \times 50 = 25$ marks

High order 20% i.e. $20\% \times 50 = 10$ marks

Total = 50 marks

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TERM 2**PAGE****ECONOMY AND ENTREPRENEURSHIP: PAPER 2:****TOPIC: ECONOMY: PRICE THEORY****DEMAND AND SUPPLY****Prices of goods and services**

There is price for everything that you want to buy or sell. Households/consumers want to buy if they see that the price is good for them and they can afford. The same way, producers/sellers also want to sell/supply if the price is good for them and they can make reasonable profit. Thus, the price of goods and services determines what households want to buy/demand and what producer/sellers/suppliers want to sell/supply. Therefore, price is the determinant factor of demand and supply.

What is Demand?

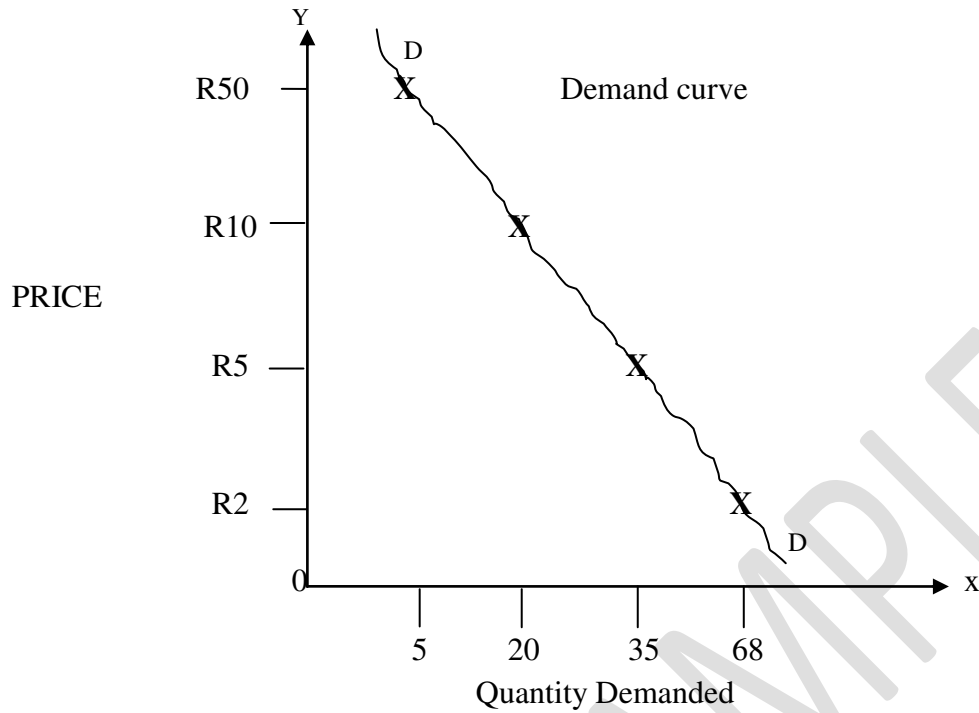
Demand is the quantity of goods and services which consumers are willing and able to buy at a different price. *The demand curve slopes down from left to right.*

The Law of Demand

The law of demand states that, **“The higher the price, the lower the quantity demanded and the lower the price, the higher the quantity demanded all other things being equal”**

By this law, we can say that when the price of goods and services are low, the quantity demand for that commodity is high by consumers. This means that, many people will likely and can afford to buy that which price is cheap/low/affordable and the quantity needed will be very high. For e.g. A shop is selling sweet for R1, how many people can buy in the class? Almost everyone! The second question is, how many people can buy a mobile phone for R70 000 in the class? I guess not everyone! Only few! Why? The price is very high. We are saying that, when the price is very high, the demand by consumers will be low and hence the quantity for that commodity will be very low. We can show this using the graph to explain.

The graph shows the demand curve of Ice Cream which proof to the law of demand.



To explain the graph

At the price of R50 for ice cream, the quantity demanded is 5. At the price of R10 for ice cream, the quantity demanded is 20. At the price of R5 for ice cream, the quantity demanded is 35. At the price of R2 ice cream, the quantity demanded is 68. We can see that, when the price is **very high**, the quantity is **low** and when the price is **low**, the quantity is **high** and this shows that the law of demand is true. **The demand curve slopes downward from left to right.**

The question is like this

Price (Ice cream)	Quantity demanded
R50	5
R10	20
R5	35
R2	68

QUESTION 10

The demand for maize and their prices are given below in the table

Price	Quantity demanded
R1000	30
R600	50
R500	80
R300	120
R200	140
R100	210

10.1. Use the table to draw up the demand curve. (6)

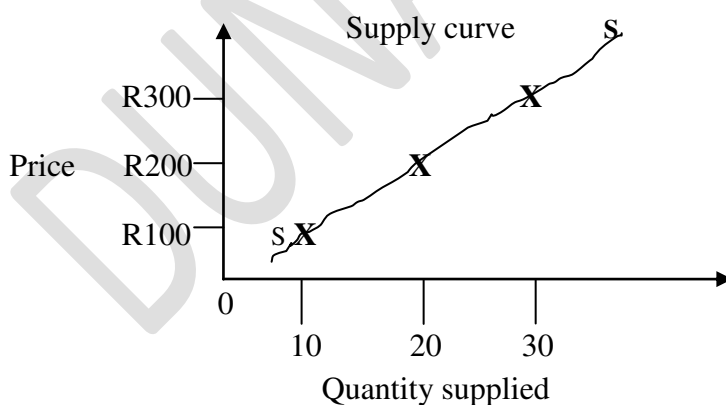
What is Supply?

Supply is the quantity of goods and services which suppliers are willing and able to supply to the market at different price levels. *The supply curve slopes downward from right to left.*

The Law of Supply

The law of supply states that, **“The higher the price, the higher the quantity supplied and the lower the price, the lower the quantity supplied all other things being equal”**.

By this law, we can say that, producers are willing to supply to the market at a large quantity when the price is high and at a low quantity when the price is low. The graph below shows the supply curve of a product supplied. **The supply curve slopes downward from right to left.**



To explain the graph above

At the price of R300, suppliers supplied 30 quantities. At the price of R200, suppliers supplied 20 quantities. At the price of R100, suppliers supplied 10 quantities and so on. This proved to the fact that,

suppliers/producers supplied to the market when the price of a commodity is high and supply less when the price is low.

QUESTION 11

The supply for sugar and their prices are given in the table below.

Price	Quantity supplied
R1000	210
R700	175
R500	152
R200	130
R100	94
R50	62

11.1. Use the table to prepare the supply curve. (6)

DEMAND AND SUPPLY CURVE

We can prepare the demand and supply curve together.

Step 1: Check the highest quantity for demand and supply, then after check the lowest quantity for demand and supply. This will enable you to know how to go about with the quantity demanded and supplied.

Step 2: Prepare all the demand curve first and finish.

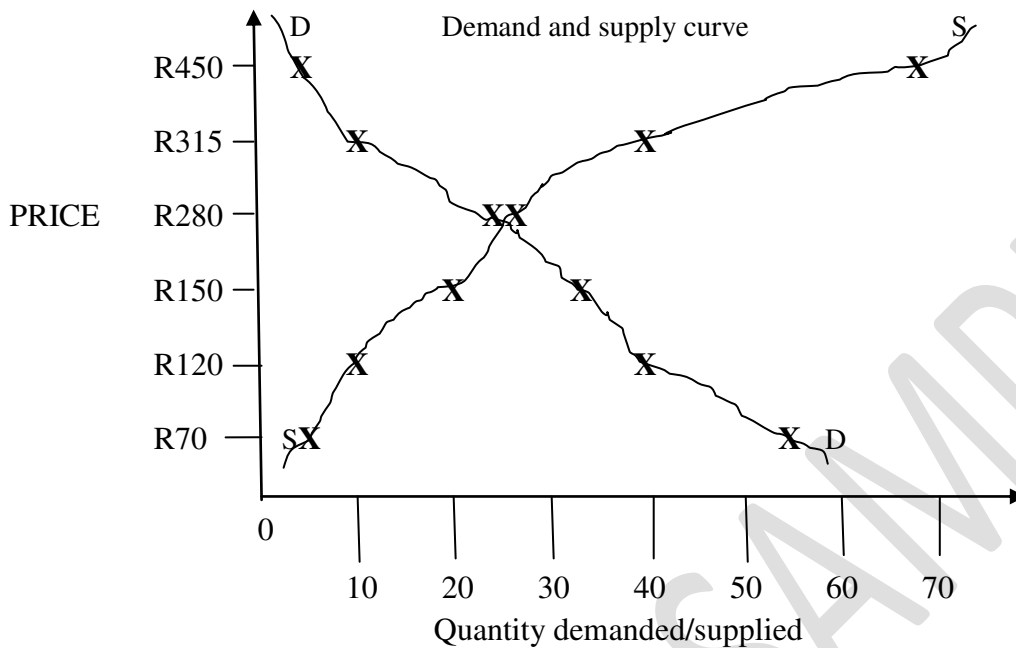
Step 3: Prepare all the supply curve and finish.

Draw up the demand and supply curve for Dunamis Gospel CDs

Price (R)	Quantity demanded	Quantity supplied
R70	55	5
R120	40	10
R150	32	20
R280	25	28
R315	10	40
R450	3	70

In this question, we can identify that the lowest quantity demanded is 3 and the lowest quantity supplied is 5. In the same way, the highest quantity demanded is 55 and the highest quantity supplied is 70. In our simple mathematics, we can decide to use interval to plot our quantity demanded and supplied and still get

the same answer. Can we for e.g. use 5, 10, 15, 20, 25, ... up to 70? Or can we use 10, 20, 30, 40, 50, ... up to 70? Whichever way you want to do it, you will get the same answer,



You can see that the quantity 5 is between 0 and 10, the quantity 15 is between 10 and 20 and so on Therefore, in whichever way the question may give you, you must think the best way to approach the question.

QUESTION 12

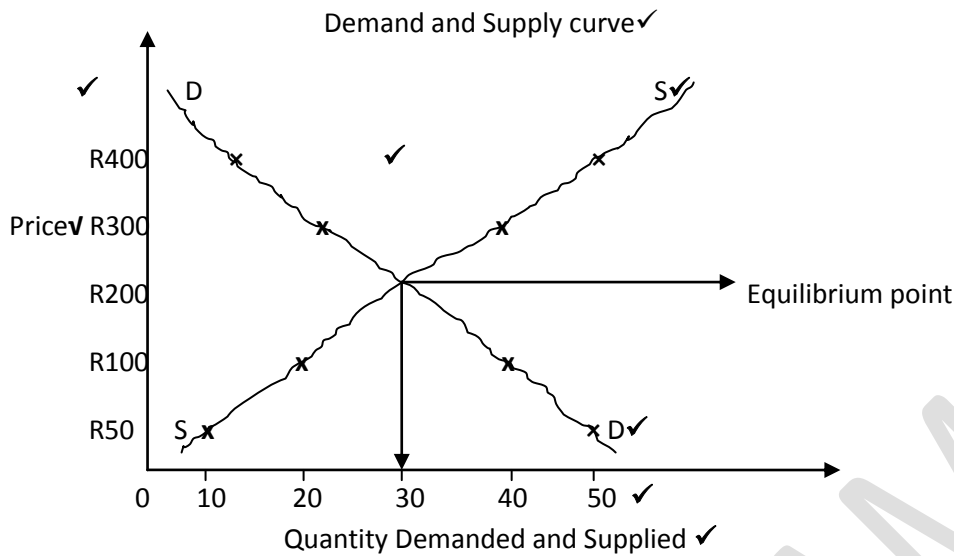
The demand and supply for rice are given in the table below.

Price (R)	Quantity demanded	Quantity supplied
R650	15	80
R400	28	65
R320	35	50
R230	44	45
R180	60	20
R100	75	10
R40	80	5

12.1. Use the table to prepare the demand and supply curve. (7)

EQUILIBRIUM PRICE AND QUANTITY

The equilibrium is the point at which demand and supply meet. It happens when goods or services demanded is equal to the quantity supplied. Thus, it intersects the demand and the supply curve.



Equilibrium price = R200✓

Equilibrium Quantity = 30✓

QUESTION 13

The table below is the demand and supply for Oranges. Use your own appropriate intervals.

Price	Quantity demanded	Quantity supplied
R1000	24	108
R800	32	97
R700	45	63
R500	62	55
R300	78	47
R200	94	28

13.1. Use the table to draw up the demand and supply curve. (7)

13.2. What is the equilibrium price? (1)

13.3. What is the equilibrium quantity? (1)

QUESTION 14

The demand and supply for Chicken Liver are given in the table below.

Price	Quantity demanded	Quantity supplied
R600	22	105
R500	34	86
R400	55	75
R300	62	54
R200	79	31
R100	94	20

- 14.1. Draw up the demand and supply curve. (7)
- 14.2. What is the equilibrium price? (1)
- 14.3. What is the equilibrium quantity? (1)

QUESTION 15

- 15.1. Define the term demand? (2)
- 15.2. Explain the reason why the demand curve slopes downward from left to right. (2)
- 15.3. Explain the law of supply. (2)
- 15.4. Define the term supply? (2)

QUESTION 16

MULTIPLE CHOICE (1 X 7) (7)

- 16.1. When the price of goods increased, the supply for goods will?
- A. Remain the same
 - B. Increase
 - C. Decrease
 - D. None of the above
- 16.2. When the price of goods increased, the demand for goods will?
- A. Remain the same
 - B. Increase
 - C. Decrease
 - D. None of the above
- 16.3. The main factor which motivates customers to buy a commodity is?
- A. Goods and services
 - B. Demand
 - C. Supply
 - D. Price
- 16.4. Normally the demand curve will have?
- A. Upward sloping
 - B. Downward sloping
 - C. Vertical sloping
 - D. Horizontal sloping
- 16.5. Law of demand show a relation between the
- A. Quantity demand and quantity supply of a commodity
 - B. Price and quantity of a commodity
 - C. Income and price of a commodity
 - D. Income and quantity of a commodity
- 16.6. When the quantity demanded or a goods is equal to the quantity supplied of the goods, then ..
- A. There is a surplus
 - B. The government is intervening in the market
 - C. There is shortage

D. None of the above

16.7. The point at which demand and supply intersect is known as?

A. Law of demand

B. Law of supply

C. Demand and supply curve

D. Equilibrium

DYNAMIS SAMPLE

TOPIC: ENTREPRENEURSHIP: SECTORS OF THE ECONOMY

A sector is an area of the economy in which businesses share the same or related business activity, product, or services.

There are 3 sectors of the economy namely;

1. Primary sector
2. Secondary sector
3. Tertiary sector

1. PRIMARY SECTOR

Primary sector includes any business involved in the extraction of raw materials such as farming, fishing, forestry, mining etc. These raw materials are in their raw state like agricultural products from the farm, stone from the ground as gold in mining, fish from the sea etc.

Type of businesses found in the primary sector

Farming, Fishing, Forestry, Mining, Extracting oil and gas, Hunting and gathering, Packing and processing raw materials etc

Type of skills required in the primary sector

The primary sector required various skills such as skilled, semi-skilled and unskilled workers. The business in the primary sector needs Skills for e.g. farm workers, fishermen, miners, those with semi-skilled e.g. foreman and those with high level of education (university degree, masters) like farm manager, animal husbandry, engineers, geologist etc.

2. SECONDARY SECTOR

Secondary sector includes businesses manufacturing, transforming or changing the primary sector extracted raw materials into semi-finished or finished goods needed by consumers. The secondary sector process the raw materials into Semi-goods, such as flour which are not yet in its final form and needs further processing by another enterprise into the final goods as bread. Also, some raw materials are processed into finished goods like manufacturing plants making Toyota car.

Types of businesses found in the secondary sector

Any businesses that manufacture/produce raw materials are part of secondary sector. They include manufacturing factories, building and construction, clothing and textiles, food processing, energy generation, iron and steel etc.

Type of skills required in the secondary sector

The secondary sector required various skills such as semi-skilled and skilled workers. Workers in this sector are largely semi-skilled who are being trained to use specific machines designed for a particular assignment in which they work. For e.g. Apprenticeship training, artisans such as plumbers, electricians, boiler makers as well as highly trained skilled workers like engineers, architects etc.

3. TERTIARY SECTOR

The tertiary sector refers to businesses that provide services. They exist to facilitate the transport, distribution and sale of goods manufactured by the secondary sector. Any business or government

department that provides a service is part of the tertiary sector. They are generally known as the **service sector**. There are 2 types of services namely;

Public services: - They are services provided by the government for the use of citizens in the country. It includes roads, schools, clinics, police, prison, social development etc

Private services: - They are services provided by individuals/businesses for people to pay for those services. E.g. include banks (ABSA), retailers (shops), private hospitals, lawyers, private schools etc.

Types of businesses found in tertiary sector

The business name mostly ends with the word service. Schools for education services, Hospitals for healthcare services, Banks for money management services, law firms and courts for legal services, Restaurants for food and drink, Tourism and entertainment services, Transport services, Media services, social development, protection and security services etc.

Type of skills required in the tertiary sector

The tertiary sector required various skills such as unskilled, semi-skilled and highly skilled workers. E.g. include Cleaners (unskilled), Cashiers, Admin Clerk (semi-skilled), Accountants, Doctors, Teachers, Nurses, Lawyers (skilled) etc.

SUSTAINABLE USE OF RESOURCES IN THE THREE SECTORS IN THE ECONOMY

If the natural resources are not used wisely and sustainably by the primary sector, there will be a shortage. If raw materials are not available, other sectors cannot deliver goods and services. Sustainable practices include planting new seedlings in deforested areas and reducing the number of trees cut, reducing our depleted precious metals and other natural resources etc. It also involves the practice of using resources in a way that meets current needs without compromising the ability of future generations to meet their own needs. It involves finding ways to use resources more efficiently, reducing waste, and conserving natural resources for the future generations.

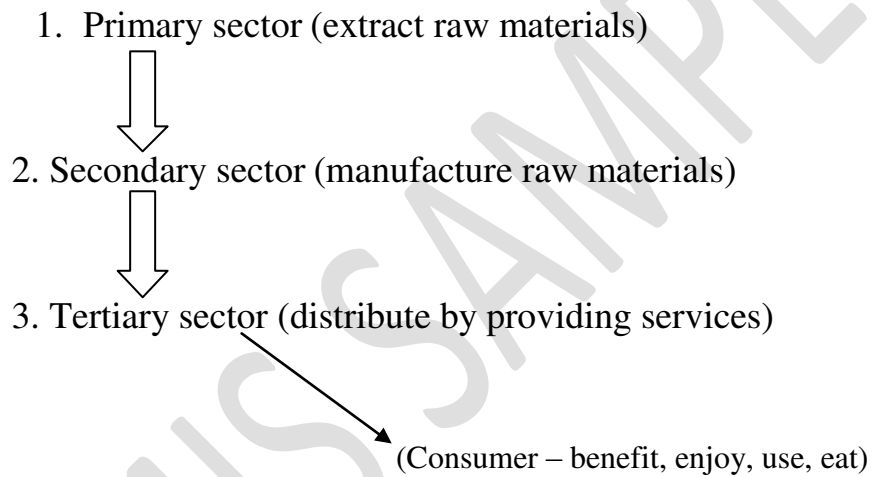
Secondly, efficient and effective use of the factors of production contributes to the wealth of an economy and the standard of living enjoyed by all the people. The factor of production known as capital is very important in the secondary sector of the economy. Capital includes things such as the machines and tools that are used in the production of goods and services. Capital for an entrepreneur to start a business is also becoming very challenging.

Thirdly, human resources in South Africa's tertiary sector need sustainable development. South Africa needs more Accountants, more Doctors, more engineers, Mathematics and Sciences teachers, more Specialist in various fields, Lawyers, etc to provide sustainable services in the tertiary sector. Much older generation need to train younger generation for skills transfer. E.g. ESKOM issue with lack of skills which negatively impacted electricity generation.

THE INTERRELATIONSHIP OF THE THREE SECTORS

The three sectors of the economy are very important to one another. The primary sector, secondary and tertiary businesses play a different role, but they usually work together cooperatively to produce the product that we buy. Raw materials are extracted (primary), raw materials manufactured (secondary), materials manufactured are distributed, services (tertiary) before it reaches the final consumer. It must be noted that, if the primary sector is not there to extract the raw materials like (stone/gold), the secondary sector cannot function by changing/manufacturing those stones/gold into ring or other commodities. The same way, if the tertiary sector (retail shop) is not there to get the manufactured ring from the secondary sector, you cannot get the ring to buy and wear.

For e.g. a piece of wood is cut from a felled tree (primary sector), made into table by a carpenter (secondary sector) and finally sold in a shop (tertiary sector).



THE ROLE OF THE THREE SECTORS IN THE ECONOMY

The economy is divided into three sectors of activity

- ❖ The role of the primary sector is the extraction of raw materials.
- ❖ The role of the secondary sector is the manufacturing of raw materials extracted by the primary sector.
- ❖ The role of the tertiary sector is to facilitate the transport, distribution and sale of goods manufactured by the secondary sector. That is providing services to the households.

QUESTION 17

TRUE OR FALSE (1 X 5) (5)

- 17.1. The primary sector makes sure goods are manufactured.
- 17.2. The business found in the secondary sector includes Shoprite.
- 17.3. Energy generation like ESKOM is an example of tertiary sector.
- 17.4. South African is very rich in minerals so we have to use all.

17.5. Planting new seeds is a way of preservation of resources.

QUESTION 18

MULTIPLE CHOICE (1 X 7) (7)

- 18.1. Industry that deals with agricultural products.
- A. Primary sector
 - B. Secondary sector
 - C. Tertiary sector
 - D. All of the above
- 18.2. They processed and changed materials to satisfy needs and wants.
- A. Primary sector
 - B. Secondary sector
 - C. Tertiary sector
 - D. All of the above
- 18.3. Services provided by the government for the benefit of all citizens.
- A. Tertiary sector
 - B. General government services
 - C. Free services
 - D. Public goods
- 18.4. Which sector of the economy removes or harvest products directly from the earth in order to extract raw materials or food?
- A. Secondary
 - B. Primary
 - C. Tertiary
 - D. Raw materials
- 18.5. THREE types of tertiary jobs
- A. Banker, teacher, doctor
 - B. Doctor, teacher, steel making
 - C. Fishermen, hunters, astronaut
 - D. Farm manager, engineer, farm worker.

- 18.6. How do big businesses contribute to the development of a country?
- A. By increasing their profit
 - B. By increasing productivity in the manufacturing of industrial goods
 - C. By providing private hospital facilities for the rich
 - D. By increasing the demand for their product through advertisement
- 18.7. Name one type of classification of the economy.
- A. Urban / Rural
 - B. Public / Private
 - C. State / National
 - D. Consumer / Rural

QUESTION 19

Study the pictures below and answer the questions that follow.



(A)



(B)



(C)

- 19.1. Identify the economic sectors represented by picture A, B & C. (1 X3) (3)
- 19.2. Name ONE type of business found in each sector. (1 X3) (3)
- 19.3. Explain the interrelationship between picture 'C' and picture 'A'. (2 X 4) (8)
- 19.4. What can we do to picture 'C' sustainably for preservation of the future? (2 X 3) (6)
- 19.5. Analyse the ways by which South Africa will overcome skill shortages in the country?
(2 X 3) (6)

FINANCIAL LITERACY: PAPER 1:

CREDIT TRANSACTIONS - DEBTORS

Selling on credit (credit sales and debtors)

A business can sell its product for cash to make profit or on credit so that the buyer pays the money in parts or in full later.

A credit sale is about selling your product to a customer and they pay later. Businesses don't just give anyone credit, they check if you can pay them before they give credit to customers. **A debtor is a person who owes the business.**

How do the businesses check whether to give you credit or not?

- They check whether you are working
- They check your bank statement and or salary advice whether you can pay them
- They check if you are not owing so much.
- They check the customer's creditworthiness.
- They check if you have other credits and the rate at which you pay.
- They check your ID

If they are satisfied, then the business can offer you credit by filling and signing some forms designed as a contract between the business and the customer.

The National Credit Act

The National Credit Act (NCA) no. 34 of 2005 is a South African Law which was implemented on 1 June 2007. This Act was made to promote and regulate the creation of a fair and non-discriminatory credit marketplace in South Africa to protect the buyer and the seller.

DEBTORS JOURNAL (DJ)

Debtors are customers who buy goods on credit or on accounts from the business.

Format

DEBTORS JOURNAL OF..... FOR JUNE 2010

Doc no	Day	Name of debtor	Sales	Cost of sales

Activity 29

Draw up the Debtors Journal for Malala business for June 2012 and post to the general ledger.

5. Issued invoice no B4 for goods sold on credit to Lukaku R1 500 (cost of sales R1 000)
7. Sold goods on account to P. Paul R810 (R540). Invoice no C10
9. Credit sales of R2 160 to Wisdom (cost of sales R1 440). Invoice no D4
11. Sold goods on credit to the following customers:
 - Grace R915 (cost of sales R610). Invoice no 009
 - Hope R1 800 mark-up 12%. Invoice no B03 (Take note of the calculation of cost of sales using mark-up)

Solution

Debtor Journal (DJ) for Malala business for June 2012✓

Doc no	Day	Name of Debtor	Sales	Cost of sales
B4 ✓	5✓	Lukaku✓	1 500✓	1 000✓
C10✓	7✓	P. Paul✓	810✓	540✓
D4✓	9✓	Wisdom✓	2 160✓	1 440✓
009✓	11✓	Grace✓	915✓	610✓
B03✓	11✓	Hope✓	1 800✓	1 607✓✓
		TOTALS	7 185✓✓	5 197✓✓

GENERAL LEDGER

CR Sales Account
DR Debtors Control Account

CR Trading Stock Account
Dr Cost of Sales Account

Do you remember how we prepared the General Ledger for the CRJ? The General Ledger for the DJ is similar to the CRJ.

The CRJ, we have column for Sales right? Yes. We also have column for Cost of Sales right? Yes.

What do we do with the totals at the end of the month?

- Debit (DR) Bank and Credit (CR) Sales
- Debit (DR) Cost of Sales and Credit (CR) Trading Stock

In our Debtors Journal, the only change is that

- Debit (DR) Debtors Control and Credit (CR) Sales
- Debit (DR) Cost of Sales and Credit (CR) Trading Stock

BALANCE SHEET SECTION

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2012✓	Sales✓	DJ✓	7 185✓					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2012✓	Cost of Sales✓	DJ✓	5 197✓

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2012✓	Debtors control✓	DJ✓	7 185✓

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2012✓	Trading stock✓	DJ✓	5 197✓					

Activity 30

Draw up the Debtors Journal for Karabo business for July 2015 and post to the general ledger.

2. Issued invoice no C8 for goods sold on credit to Malago R3 000 (cost of sales R2 000)
4. Sold goods on account to Makula R1 620 (R1 080). Invoice no W4
6. Credit sales of R4 320 to Fifi (cost of sales R2 880). Invoice no K2
8. Sold goods on credit to the following customers:
 - Esther R1 830 (cost of sales R1 220). Invoice no D7
 - Kgomotso R3 600 mark-up 24%. Invoice no R5 (Take note of the calculation of cost of Sales using mark-up)

Solution

Workings

DEBTORS JOURNAL (DJ) OF BUSINESS FOR

Doc no	Day	Name of Debtor	Sales	Cost of sales

GENERAL LEDGER**BALANCE SHEET SECTION**

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

Note the following about DJ

- Credit Sales
- Sold on Credit
- Sold on account
- Issued credit invoice

Activity 31

Prepare the DJ for Lalaka business for March 2010 and post to the general ledger

- DJ must have columns for: Sales, Cost of Sales
 - Mark-up is 20%
1. Sold goods on credit to Sefate R1 000. Issued invoice no 001
 2. Sold goods on accounts to Bonolo R1 500. Issued invoice no 002
 3. Sold merchandise on credit to Bonolo R2 800. Issued invoice no 003
 4. Sold goods on credit to Sefate with a cost price R1400. Issued invoice no 004
 5. Sold goods on account to Mukako with a selling price R3 600. Invoice issued no C07

Solution

Workings

CASH RECEIPT JOURNAL (CRJ)

The debtors that owe the business will pay their money to the business at the agreed date. The business will then receive the money. All money received by the business is entered in the CRJ. Therefore, the CRJ will have a new column called “**DEBTORS CONTROL**” and all money received from debtors is entered.

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

Activity 32

Prepare the CRJ for Makula stores for June 2015 with columns for: Sales, Cost of Sales, Debtors Control and Sundry Account.

- Post to the general ledger.
- 1. Makula started business with R50 000 and deposited into the bank accounts. No B/S K1
- 4. Cash sales R12000 (R8000)
- 6. Received part payment from a debtor by name Lebo for the amount owing R10 000. Receipt no B2
- 7. Received rent from Kulala for the month R4 500. Issued receipt no F6
- 9. Received money of R2500 from a debtor by name Lekuku and issued her receipt no C7
- 14. Cash sales R7500 with mark-up 10%
- 16. Goods sold for cash with a cost price R6200 mark-up 5%

Solution

Workings

Day 14

$$\text{Sales} \times \frac{100}{100 + \text{Mark_up}}$$

Calculator: $7500 \times 100 \div 110 = R6\ 818$

Day 16

$$\text{Cost of Sales} \times \frac{100 + \text{Mark_up}}{100}$$

Calculator: $6200 \times 105 \div 100 = R6\ 510$

CASH RECEIPT JOURNAL (CRJ) OF MAKULA STORES FOR JUNE 2015

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
									Amount	Fol	Details
B/S K1	1	Makula /owner			50 000				50 000		Capital
CRR	4	Cash Sales		12 000	12 000	12 000	8 000				
B2	6	Lebo		10 000	10 000			10 000			
F6	7	kulala		4 500	4 500				4 500		Rent income
C7	9	Lekuku		2 500	2 500			2 500			
CRR	14	Cash Sales		7 500	7 500	7 500	6 818				
CRR	16	Cash Sales		6 510	6 510	6 510	6 200				
					93 010	26 010	21 018	12 500	54 500		

↑
 Dr bank
 Cr Debtors Control

GENERAL LEDGER

We have learnt how to prepare the General Ledger for CRJ. It is the same CRJ; the only addition is the Debtors Control column. We Debit (Bank) and Credit (CR) Debtors Control.

Effect on the Accounting Equation

Summary for money received from Debtors

- Money received from Debtors entered in the CRJ
- Debit (DR) Bank
- Credit (CR) Debtors Control (it is our Asset and it will be under the Balance Sheet Section)

BALANCE SHEET SECTION

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2015	Total Receipt	CRJ	93 010					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2015	Cost of Sales	CRJ	21 018

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2015	Bank	CRJ	12 500

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					1 June 2015	Bank	CRJ	50 000

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2015	Bank	CRJ	26 010

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2015	Trading Stock	CRJ	21 018					

DR

RENT INCOME ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					7 June 2015	Bank	CRJ	4 500

Activity 33

Prepare the CRJ for Mabilo Stores for May 2022 with columns for: Sales, Cost of Sales, Debtors Control and Sundry Account.

- Post to the general ledger.
1. The owner invested R93 200 into the business. Issues receipt no Y2.
 2. Cash sales for the day amounting to R34 600 (R 17 720)
 3. Received payment from a debtor by name Khasu for the amount owing R 31 310. Issued receipt C4
 4. Received rent from Dikalabua for the month R7 890 and issued receipt no F5
 5. Received money of R44 670 from a debtor by name Ronaldo. Issued receipt no K6
 6. Cash sales R24 720 with mark-up 24%
 7. Goods sold for cash with a cost price R44 880 mark-up 17%

Solution

Summary of transactions Identification so far to take note

- Cash Sales (CRJ)
- Sold goods for cash (CRJ)
- Credit Sales (DJ)
- Sold goods on credit (DJ)
- Sold goods on accounts (DJ)

- Bought goods by EFT / Cash (CPJ)
- Payment made by EFT / Cash (CPJ)

We want to do transaction for CRJ, DJ and General Ledger

Activity 34

Prepare the CRJ, DJ for Sukula Stores for the month June 2020.

- CRJ columns for sales, cost of sales, debtors control and sundry account
 - DJ columns for sales and cost of sales
 - Post to the general ledger.
1. Sukula started business with R80 000 and deposited into the bank account. No B/S 01 CRJ
 4. Cash sales R18 000 (R12 000) CRJ
 6. Sold goods on credit to Lebo for R11 000 (R8 000). Invoice no 02 DJ
 8. Credit sales to Lekuku R9 000 mark-up 10%. Issued credit invoice no B8. DJ
 10. Lebo paid all the money owing to the business and receive receipt no 03. CRJ
 15. Received rent from Malala for the month R4 600. Receipt no 04 CRJ
 18. Cash sales R4 800 mark-up 12% CRJ
 20. Credit sales with a cost price to Lumakos R7 200 mark-up 10% and credit invoice no 05 issued. DJ
 22. Goods sold for cash with a cost price R3 200 mark-up 5%. CRJ

Solution

Workings

$$\text{Day 8. } 9000 \times 100 = \div 110 = \mathbf{R8\ 182} \quad \text{Day 18. } 4800 \times 100 = \div 112 = \mathbf{R4\ 286}$$

$$\text{Day 20. } 7200 \times 110 = \div 100 = \mathbf{R7\ 920} \quad \text{Day 22. } 3200 \times 105 = \div 100 = \mathbf{R3\ 360}$$

CASH RECEIPT JOURNAL (CPJ) OF SUKULA STORES FOR JUNE 2020

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
									Amount	Fol	Details
B/S 01	1	Sukula /owner			80 000				80 000		Capital
CRR	4	Cash sales		18 000	18 000	18 000	12 000				
03	10	Lebo		11 000	11 000			11 000			
04	15	Malala		4 600	4 600				4 600		Rent income
CRR	18	Cash sales		4 800	4 800	4 800	4 286				
CRR	22	Cash sales		3 360	3 360	3 360	3 200				
					121 760	26 160	19 486	11 000	84 600		

DEBTORS JOURNAL (DJ) OF SUKULA STORES FOR JUNE 2020

Doc no	Day	Name of Debtor	Sales	Cost of sales
02	6	Lebo	11 000	8 000
B8	8	Lekuku	9 000	8 182
05	20	Lumakos	7 920	7 200
			27 920	23 382

Points to note

- Do the General Ledger for CRJ first and finish
- Then you do the General Ledger for DJ
- Don't forget we said when there is an amount at the Debit side and Credit side, what do you do? You Balance OFF the account. Good!

GENERAL LEDGER

BALANCE SHEET SECTION

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 June 2020	Total Receipt	CRJ	121 760				

DR				TRADING STOCK ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
					31 June 2020	Cost of Sales	CRJ	19 486			
					31 June 2020	Cost of Sales	DJ	23 382			
										42 868	

DR				DEBTORS CONTROL ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
31 June 2020	Sales	DJ	27 920		31 June 2020	Bank	CRJ	11 000			
					31 June 2020	Balance	c/d	16 920			
			27 920					27 920			
1 July 2020	Balance	b/d	16 920								

DR				CAPITAL ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
					1 June 2020	Bank	CRJ	80 000			

NOMINAL ACCOUNT SECTION

DR				SALES ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
					31 June 2020	Bank	CRJ	26 160			
					31 June 2020	Debtors control	DJ	27 920			
										54 080	

DR				COST OF SALES ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
31 June 2020	Trading Stock	CRJ	19 486								
31 June 2020	Trading Stock	DJ	23 382								
			42 868								

DR				RENT INCOME ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
					15 June 2020	Bank	CRJ	4 600			

Activity 35

Prepare the CRJ, DJ for Mamabola Business for the month April 2021.

- CRJ columns for Sales, Cost of Sales, Debtors Control and Sundry Account
- DJ columns for Sales and Cost of Sales
- Post to the general ledger.

1. The owner started business with R160 000 and deposited into the bank account. Receipt no A2
2. Cash sales R36 000 (R24 000)
3. Sold goods on credit to Wise Lady for R22 000 (R16 000). Invoice no BB2
4. Credit sales to Amanda R18 000 mark-up 20%. Issued credit invoice no BB3.
5. Wise Lady paid all the money owing to the business and receive receipt no A3.
6. Received rent from Victory for the month R9 200. Receipt no A4
7. Cash sales R9 600 mark-up 24%
8. Credit sales with a cost price to Grace R14 400 mark-up 20% and credit invoice no BB4 issued.
9. Goods sold for cash with a cost price R6 400 mark-up 10%.

Solution

CASH RECEIPT JOURNAL (CPJ) OF MAMABOLO BUSINESS FOR APRIL 2021

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

DEBTORS JOURNAL (DJ) OF MAMABOLA BUSINESS FOR APRIL 2021

Doc no	Day	Name of Debtor	Sales	Cost of sales

Points to note

- Do the General Ledger for CRJ first and finish
- Then you do the General Ledger for DJ
- Don't forget we said when there is an amount at the Debit side and Credit side, what do you do? You Balance OFF the account. Good!

GENERAL LEDGER

BALANCE SHEET SECTION

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR				RENT INCOME ACCOUNT				CR
Date	Details	Fol	Amount		Date	Details	Fol	Amount

Activity 36

Now, we are going to do activity on All that we have learnt so far. We are perfect, so we will prepare activity for CRJ, CPJ, DJ, General Ledger, Trial Balance and Effect on the Accounting Equation. What to do;

- Identify the transaction first
- Enter the transactions identified accurately without mistake
- Total at the end of the month and balance Off where necessary
- Prepare the General Ledger for CRJ first
- Prepare the General Ledger for CPJ second
- Prepare the General Ledger for DJ third.
- Take the amount in the '**balance b/d**' only to the Trial Balance
- If the balance b/d is in the Debit (DR) side, send the amount to the Debit (DR) and if Credit (CR), send to the Credit (CR) side in the Trial Balance.

Prepare the CRJ, CPJ, DJ for ADB Shop for May 2012

- CRJ must have columns for: Sales, Cost of Sales, Debtors Control and Sundry Account.
 - CPJ must have columns for: Trading stock, Stationery, and Sundry Account.
 - DJ must have columns for: Sales and Cost of Sales
 - Mark-up is 30%
 - Total the CRJ, CPJ, DJ.
 - Post all Journals to the General Ledger accounts and balance off the accounts where necessary.
 - Prepare the Trial Balance
1. The owner invested R280 000 in the business. Issued receipt no C2 CRJ
 2. Bought trading stock for R99 450 from Bingo shop by EFT no C4 CPJ
 3. Sold goods on credit to G Sam for R54 500. Invoice no B23 DJ
 4. Received R6 810 from cash sales CRJ
 5. Sold merchandise on credit to P.Paul for R7 520. Invoice no D54. DJ
 6. Received R5 030 rent from T Kuma. Issued receipt no B5. CRJ
 7. Received R34 000 from G Sam as part payment of his money own. Issued receipt no D6. CRJ
 8. Received all the money owned by P Paul. Issued receipt no D9. CRJ
 9. Bought stationery for R5 400 from Maratha Stationer with EFT no A10. CPJ
 10. Sold goods on credit to M Mum for R12 800. Issued invoice no E13. DJ
 11. Repairs done on the business car by EFT no K7 for R15 890 at Malas Garage. CPJ
 12. Cash sales with a cost price R13 400. CRJ
 13. Received R10 000 from G Sam as part payment of his account. Issued receipt no E16. CRJ
 14. Received R5 000 from M Mum to settle part of his accounts. Issued receipt no D34. CRJ
 15. Sold goods on accounts to KKD with a cost price R4 860. Invoice no B22. DJ

Solution**Workings**Day 3. $54500 \times 100 = \div 130 = \mathbf{R41\ 923}$ Day 4. $6810 \times 100 = \div 130 = \mathbf{R5\ 238}$ Day 5. $7520 \times 100 = \div 130 = \mathbf{R5\ 785}$ Day 10. $12800 \times 100 = \div 130 = \mathbf{R9\ 846}$ Day 12. $13400 \times 130 = \div 100 = \mathbf{R17\ 420}$ Day 15. $4860 \times 130 = \div 100 = \mathbf{R6\ 318}$ **CASH RECEIPT JOURNAL (CPJ) OF ADB SHOP FOR MAY 2012**

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
									Amount	Fol	Details
C2	1	ADB/ Owner		280 000	280 000				280 000		Capital
CRR	4	Cash sales		6 810	6 810	6 810	5 238				
B5	6	T Kuma		5 030	5 030				5 030		Rent income
D6	7	G Sam		34 000	34 000			34 000			
D9	8	P Paul		7 520	7 520			7 520			
CRR	12	Cash sales		17 420	17 420	17 420	13 400				
E16	13	G Sam		10 000	10 000			10 000			
D34	14	M Mum		5 000	5 000			5 000			
					365 780	24 230	18 638	56 520	285 030		

CASH PAYMENT JOURNAL (CPJ) OF ADB SHOP FOR MAY 2012

Doc no	Day	Name of	Fol	Bank	Trading Stock	Stationery	Sundry Account		
							Amount	Fol	Details
C4	2	Bingo shop		99 450	99 450				
A10	9	Maratha Stationer		5 400		5 400			
K7	11	Malas Garage		15 890			15 890		Repairs
				120 740	99 450	5 400	15 890		

DEBTORS JOURNAL (DJ) OF ADB SHOP FOR MAY 2012

Doc no	Day	Name of Debtor	Sales	Cost of sales
B23	3	G Sam	54 500	41 923
D54	5	P Paul	7 520	5 785
E13	10	M Mum	12 800	9 846
B22	15	KKD	6 318	4 860
			81 138	62 414

GENERAL LEDGER

BALANCE SHEET SECTION

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 May 2012	Total Receipt	CRJ	365 780	31 May 2012	Total Payment	CPJ	120 740
				31 May 2012	Balance	c/d	245 040
			365 780				365 780
1 June 2012	Balance	b/d	245 040				

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 May 2012	Bank	CPJ	99 450	31 May 2012	Cost of Sales	CRJ	18 638
				31 May 2012	Cost of Sales	DJ	62 414
				31 May 2012	Balance	c/d	18 398
			99 450				99 450
1 June 2012	Balance	b/d	18 398				

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 May 2012	Sales	DJ	81 138	31 May 2012	Bank	CRJ	56 520
				31 May 2012	Balance	c/d	24 618
			81 138				81 138
1 June 2012	Balance	b/d	24 618				

DR		CAPITAL ACCOUNT					CR	
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					1 May 2012	Bank	CRJ	280 000

NOMINAL ACCOUNT SECTION

DR					SALES ACCOUNT			CR
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 May 2012	Bank	CRJ	24 230
					31 May 2012	Debtors control	DJ	81 138
								105 368

DR		COST OF SALES ACCOUNT					CR	
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2012	Trading Stock	CRJ	18 638					
31 May 2012	Trading Stock	DJ	62 414					
			81 052					

DR				RENT INCOME ACCOUNT				CR	
Date	Details	Fol	Amount		Date	Details	Fol	Amount	
					6 May 2012	Bank	CRJ	5 030	

DR		STATIONERY ACCOUNT					CR	
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2012	Bank	CPJ	5 400					

DR		REPAIRS ACCOUNT					CR	
Date	Details	Fol	Amount		Date	Details	Fol	Amount
11 May 2012	Bank	CPJ	15 890					

TRIAL BALANCE OF ADB SHOP FOR MAY 2012

Details	DEBIT (DR)	CREDIT (CR)
BALANCE SHEET SECTION		
Bank	245 040	
Trading Stock	18 398	
Debtors Control	24 618	
Capital		280 000
NOMINAL ACCOUNT SECTION		
Sales		105 368
Cost of Sales	81 052	
Rent Income		5 030
Stationery	5 400	
Repairs	15 890	
TOTAL	390 398	390 398

Effect of the transaction on the Accounting Equation

Let's do the analysis for Day 2, 4, 5 and 7.

EFFECTS OF CASH AND CREDIT TRANSACTIONS ON THE ACCOUNTING EQUATION

Day	Journal And Transaction	Source Document	Accounts Debited	Accounts Credited	Assets	Owner's Equity	Liability
2	(CPJ) Trading Stock	Original receipt	Trading Stock	Bank	-R99 450 +R99 450		
4	(CRJ) Sales	Cash register roll / Duplicate receipt	Bank	Sales	+R6 810	+R6 810	
	Cost of Sales	Original receipt	Cost of Sales	Trading Stock	-R5 238	-R5 238	
5	(DJ) Sales	Duplicate receipt	Debtors Control	Sales	+R7 520	+R7 520	
	Cost of Sales	Original receipt	Cost of Sales	Trading Stock	-R5 785	-R5 785	
7	(CRJ) Debtors Control	Duplicate Receipt	Bank	Debtors Control	+R34 000	+R34 000	

INDIVIDUAL DEBTORS LEDGER IN THE BOOKS OF ADB SHOP

In the debtors' ledger Account, the business wants to know how much EACH customer/debtor owes. It must show the date they were given the credit, the invoice given to them or the receipt issued when the money was received and the balance left to be paid. When we give our customers credit, we Debit (DR)

their name and when we receive money from them, we Credit (CR) their name and subtract it to know the balance left. That is, DEBIT means (+) and CREDIT means (-)

G SAM ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance
3 May 2012	Invoice no B22	DJ	54 500		54 500
7 May 2012	Receipt no D6	CRJ		34 000	20 500
13 May 2012	Receipt no E16	CRJ		10 000	10 500

P PAUL ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance
5 May 2012	Invoice no D54	DJ	7 520		7 520
8 May 2012	Receipt no D9	CRJ		7 520	0

M MUM ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance
10 May 2012	Invoice no E12	DJ	12 800		12 800
14 May 2012	Receipt no D34	CRJ		5 000	7 800

KKD ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance
15 May 2012	Invoice no B22	DJ	6 318		6 318

Activity 37

Prepare the CRJ, CPJ, DJ for Favour Business for July 2017

- CRJ must have columns for: Sales, Cost of Sales, Debtors Control and Sundry Account.
- CPJ must have columns for: Trading stock, Stationery, and Sundry Account.
- DJ must have columns for: Sales and Cost of Sales
- Mark-up is 33%
- Total the CRJ, CPJ, DJ.
- Post all Journals to the General Ledger accounts and balance off the accounts where necessary.
- Prepare the Trial Balance
- Show the effects of the transaction on the Accounting Equation for Day 5, 16, 23 and 24.
- Prepare the individual Debtors Ledger Account in the books of Favour Business.

5. The owner contributed R560 000 to start the business. Issued receipt no 01
8. Bought trading stock for R215 760 from Bingo shop by EFT no 02
9. Sold goods on credit to Hope for R109 000. Invoice no 03
12. Received R13 620 from cash sales
16. Sold merchandise on credit to Faith for R15 040. Invoice no 04.
17. Received R10 060 rent from T Kuma. Issued receipt no 05
18. Received R68 000 from Hope as part payment of his money own. Issued receipt no 06.
23. Received all the money owned by Faith. Issued receipt no 07.
24. Bought papers for printing for R10 800 from Maraba Ent. with EFT no 08.
25. Sold goods on credit to Blessing for R25 600. Issued invoice no 09.
26. EFT no 010 cashed for R78 650, and amount of R28 970 was used for repairs and the remainder for goods from Bala Ent.
27. Cash sales with a cost price R26 800.
28. Received R21 600 from Hope as part payment of his account. Issued receipt no 011.
29. Received R10 310 from Blessing to settle part of his accounts. Issued receipt no 012.
30. Sold goods on accounts to Kwame with a cost price R9 720. Invoice no 013.

Solution

Workings

CASH RECEIPT JOURNAL (CRJ) OF FAVOUR BUSINESS FOR JULY 2017

[illegible]

CASH PAYMENT JOURNAL (CPJ) OF FAVOUR BUSINESS FOR JULY 2017

[illegible]

DEBTORS JOURNAL (DJ) OF FAVOUR BUSINESS FOR JULY 2017

Doc no	Day	Name of Debtor	Sales	Cost of sales

GENERAL LEDGER**BALANCE SHEET SECTION**

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

RENT INCOME ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

STATIONERY ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

DR

REPAIRS ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount

TRIAL BALANCE OF ADB SHOP FOR MAY 2012

Details	DEBIT (DR)	CREDIT (CR)
<u>BALANCE SHEET SECTION</u>		
<u>NOMINAL ACCOUNT SECTION</u>		
TOTAL		

EFFECTS OF CASH AND CREDIT TRANSACTIONS ON THE ACCOUNTING EQUATION

Day	Journal And Transaction	Source Document	Accounts Debited	Accounts Credited	Assets	Owner's Equity	Liability
5							
16							
23							
24							

HOPE ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance

FAITH ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance

BLESSING ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance

KWAME ACCOUNT

Date	Details	Fol	Debit (+)	Credit (-)	Balance

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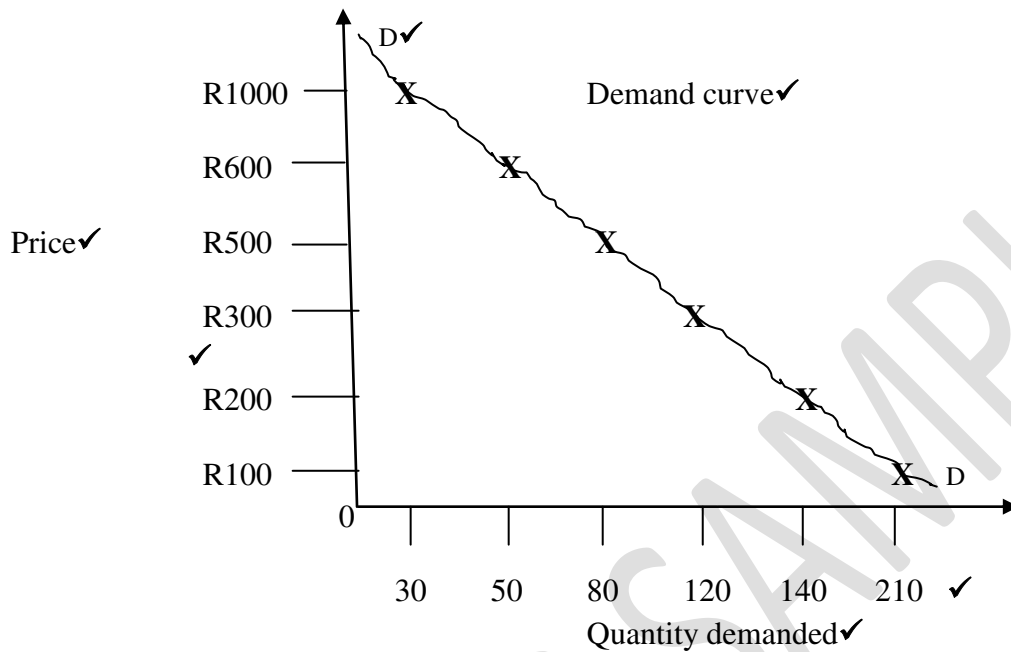
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QUESTION 10

10.1. Use the table to draw up the demand curve. (6)

SOLUTION / MEMORANDUM

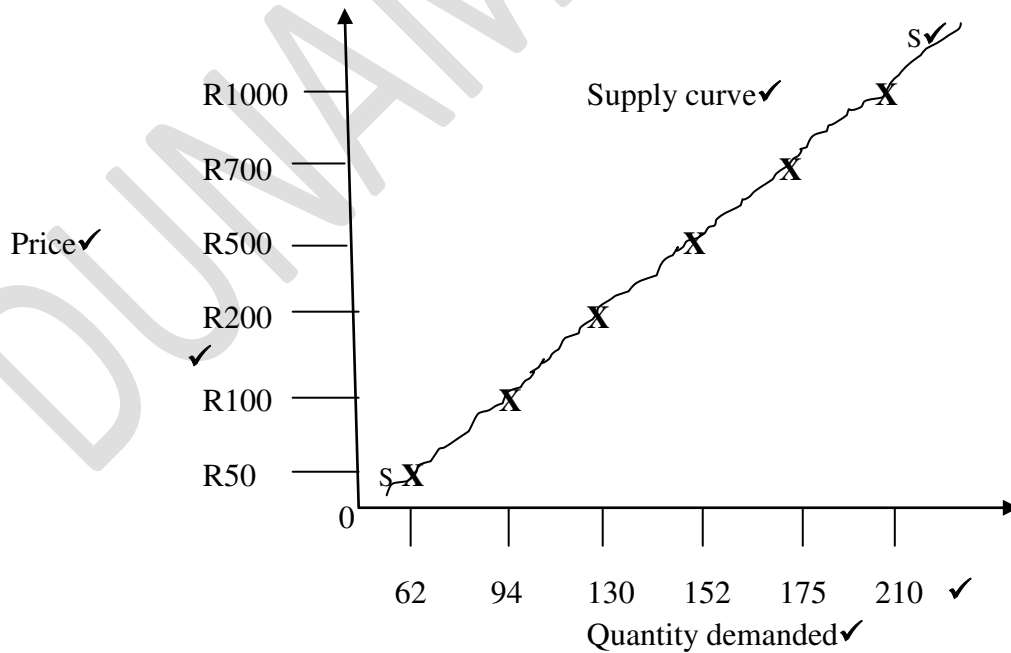
10.1.

**QUESTION 11**

11.1. Use the table to prepare the supply curve. (6)

SOLUTION / MEMORANDUM

11.1.

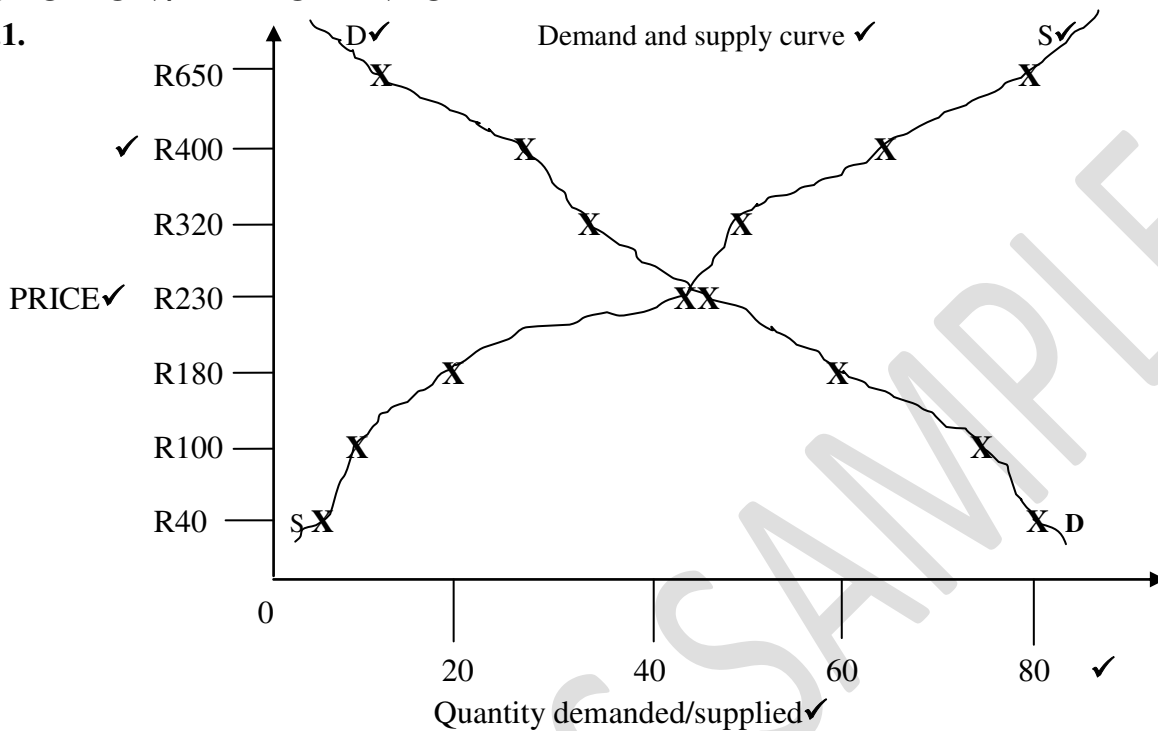


QUESTION 12

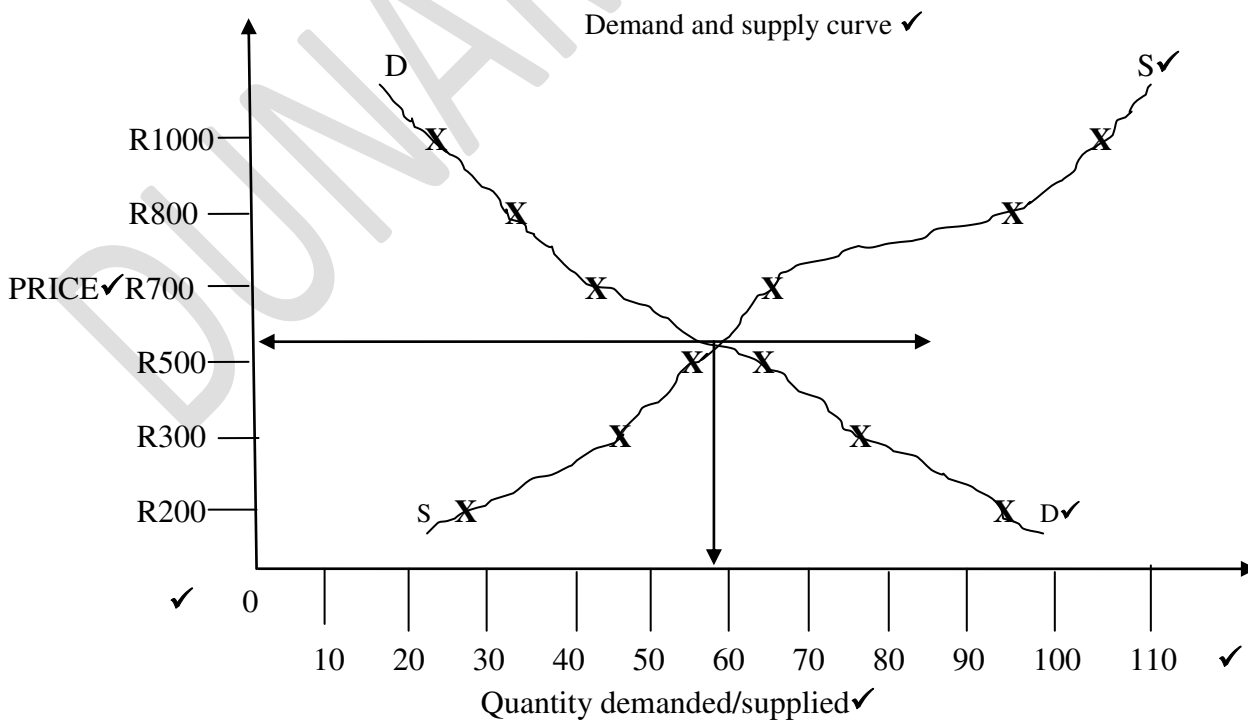
12.1. Use the table to prepare the demand and supply curve. (7)

SOLUTION / MEMORANDUM

12.1.

**QUESTION 13****SOLUTION / MEMORANDUM**

13.1.

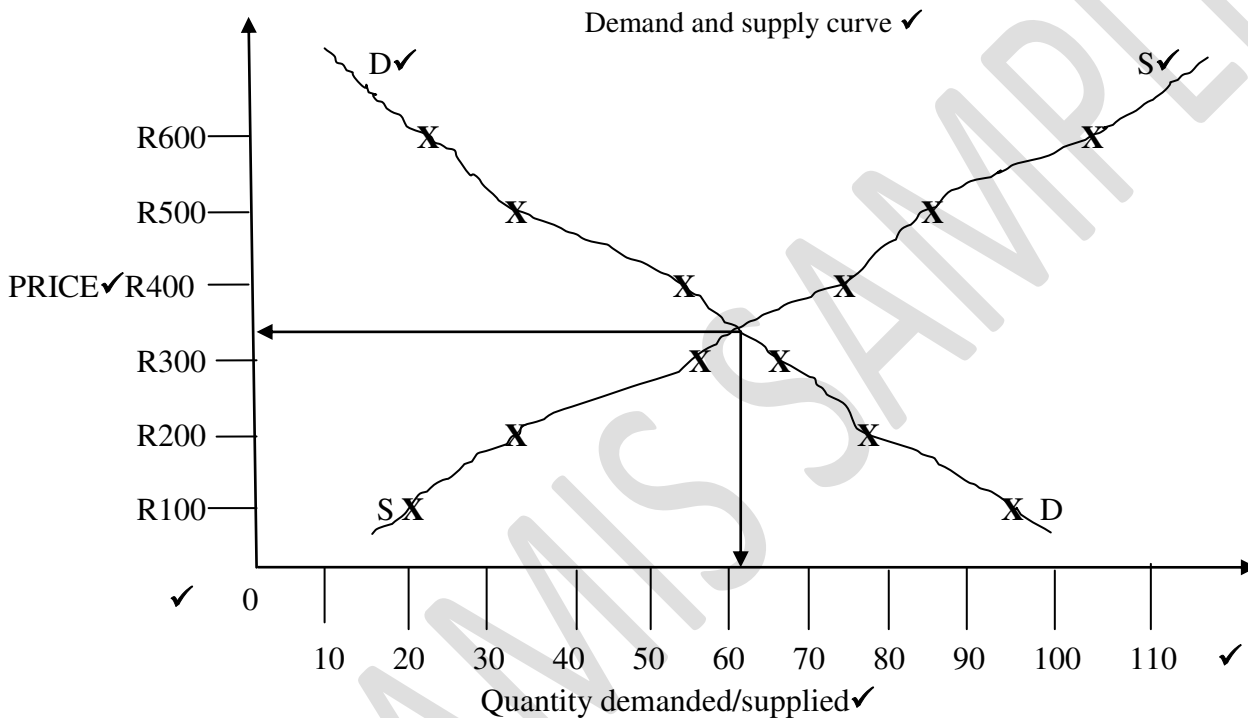


- 13.2. Equilibrium price: It is between R500 and R700 right. The middle of R500 and R700 is R600 right. It is also not in the exact middle. The equilibrium price is R540/R550✓
- 13.3. Equilibrium quantity: It is between 50 and 60 and it is nearer to the 60 but not 60. The equilibrium quantity is 58/59✓

QUESTION 14

SOLUTION / MEMORANDUM

14.1.



- 14.2. Equilibrium price: R340✓
- 14.3. Equilibrium quantity: 61/62✓

QUESTION 15

SOLUTION / MEMORANDUM

- 15.1. (Accept ANY similar explanation of demand)
Demand is the quantity of goods and services which consumers are willing and able to buy at a different price.✓✓
- 15.2. (Accept ANY similar reason why the demand curve slopes) **(High order)**
The demand curve slopes downward because consumers buy in large quantities when the prices of goods are low and buy less/low when the prices of goods are high and that made the demand curve to slope downwards.✓✓ **OR**

On our axes, we know that prices increase when it moves upward and our quantity is also higher when it moves on the right side of the axis.. Thus, when the price is high, the quantity will be low and that made our demand curve to slop downwards from left to right.

15.3. (Accept ANY similar explanation)

The law of supply states that, “The higher the price, the higher the quantity supplied and the lower the price, the lower the quantity supplied all other things being equal”.✓✓

15.4. (Accept ANY similar definition of supply)

Supply is the quantity of goods and services which suppliers are willing and able to supply to the market at different price levels.✓✓

QUESTION 16

MULTIPLE CHOICE (1 X 7) (7)

- 16.1. When the price of goods increased, the supply for goods will?
- A. Remain the same
 - B. Increase✓**
 - C. Decrease
 - D. None of the above
- 16.2. When the price of goods increased, the demand for goods will?
- A. Remain the same
 - B. Increase
 - C. Decrease✓**
 - D. None of the above
- 16.3. The main factor which motivates customers to buy a commodity is?
- A. Goods and services
 - B. Demand
 - C. Supply
 - D. Price✓**
- 16.4. Normally the demand curve will have?
- A. Upward sloping
 - B. Downward sloping✓**
 - C. Vertical sloping
 - D. Horizontal sloping

- 16.5. Law of demand show a relation between the
- A. Quantity demand and quantity supply of a commodity
 - B. Price and quantity of a commodity✓**
 - C. Income and price of a commodity
 - D. Income and quantity of a commodity
- 16.6. When the quantity demanded of a goods is equal to the quantity supplied of the goods, then...
- A. There is a surplus
 - B. The government is intervening in the market
 - C. There is shortage
 - D. None of the above✓**
- 16.7. The point at which demand and supply intersect is known as?
- A. Law of demand
 - B. Law of supply
 - C. Demand and supply curve
 - D. Equilibrium✓**

QUESTION 17

TRUE OR FALSE (1 X 5) (5)

- 17.1. The primary sector makes sure goods are manufactured. **FALSE✓**
- 17.2. The business found in the secondary sector includes Shoprite. **FALSE✓**
- 17.3. Energy generation like ESKOM is an example of tertiary sector. **FALSE✓**
- 17.4. South African is very rich in minerals so we have to use all. **FALSE✓**
- 17.5. Planting new seeds is a way of preservation of resources. **TRUE✓**

QUESTION 18

MULTIPLE CHOICE (1 X 7) (7)

- 18.1. Industry that deals with agricultural products.

 - A. Primary sector✓**
 - B. Secondary sector
 - C. Tertiary sector
 - D. All of the above

- 18.2. They processed and changed materials to satisfy needs and wants.
- A. Primary sector
 - B. Secondary sector✓**
 - C. Tertiary sector
 - D. All of the above
- 18.3. Services provided by the government for the benefit of all citizens.
- A. Tertiary sector
 - B. General government services
 - C. Free services
 - D. Public goods✓**
- 18.4. Which sector of the economy removes or harvest products directly from the earth in order to extract raw materials or food?
- A. Secondary
 - B. Primary✓**
 - C. Tertiary
 - D. Raw materials
- 18.5. THREE types of tertiary jobs
- A. Banker, teacher, doctor✓**
 - B. Doctor, teacher, steel making
 - C. Fishermen, hunters, astronaut
 - D. Farm manager, engineer, farm worker.
- 18.6. How do big businesses contribute to the development of a country?
- A. By increasing their profit
 - B. By increasing productivity in the manufacturing of industrial goods✓**
 - C. By providing private hospital facilities for the rich
 - D. By increasing the demand for their product through advertisement
- 18.7. Name one type of classification of the economy.
- A. Urban / Rural
 - B. Public / Private✓**
 - C. State / National
 - D. Consumer / Rural

QUESTION 19**SOLUTION / MEMORANDUM****19.1.** A. – Secondary sector✓

B. – Tertiary sector✓

C. – Primary sector✓

19.2. (Accept ANY 1 or similar business found in each sector)A. – Secondary sector: manufacturing factories,✓ building and construction,
clothing and textiles, food processing, energy generation,
iron and steelB. – Tertiary sector: Schools for education services,✓ Hospitals for healthcare services,
Banks for money management services, law firms and courts for legal services,
Restaurants for food and drinkC. – Primary sector: Farming,✓ Fishing, Forestry, Mining, Extracting oil and gas,
Hunting and gathering**19.3.** (Accept ANY 4 points or similar interrelationship between primary and secondary sector)

- Picture 'C' is primary sector which extract raw material.✓✓
- Picture 'A' is secondary sector which manufacture raw materials extracted by the primary sector.✓✓
- If the primary sector does not extract the raw materials, the secondary sector cannot have anything to change or manufacture.✓✓
- The secondary sector depends on the primary sector to deliver the raw materials.✓✓

19.4. (Accept ANY 3 points or similar sustainable use of resources in the primary sector)

- Natural resources must be use wisely by the primary sector to avoid shortage.✓✓
- If raw materials are not available, other sectors cannot deliver goods and services.✓✓
- Plant new seedlings in deforested areas.✓✓
- Reduce depleted precious metals and other natural resources.
- Reduce the number of trees cut.

19.5. (Accept ANY 3 points or similar of addressing skills shortage in South Africa. Learners own opinion accepted but relevant to the question in discussion). **(High order)** The world is developing rapidly in the digital space and technology is the future. Focus must be on technical skills like software and application development, infrastructure engineering, cybersecurity, STEM skills

- Investment in the digital economy✓✓
- Create awareness about opportunities in the digital economy✓✓
- Invest in training the youth by giving scholarships and bursary✓✓
- Expand in research
- Consider taking on apprentices
- Rethink the workforce

- Focus on staff retention

DYNAMIS SAMPLE

FINANCIAL LITERACY PAPER 1 MEMO

Activity 29

Solution

Debtor Journal (DJ) for Malala business for June 2012✓

Doc no	Day	Name of Debtor	Sales	Cost of sales
B4 ✓	5✓	Lukaku✓	1 500✓	1 000✓
C10✓	7✓	P. Paul✓	810✓	540✓
D4✓	9✓	Wisdom✓	2 160✓	1 440✓
009✓	11✓	Grace✓	915✓	610✓
B03✓	11✓	Hope✓	1 800✓	1 607✓✓
		TOTALS	7 185✓✓	5 197✓✓

GENERAL LEDGER

CR Sales Account

DR Debtors Control Account

CR Trading Stock Account

Dr Cost of Sales Account

BALANCE SHEET SECTION

DR DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 June 2012✓	Sales✓	DJ✓	7 185✓				

DR TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				31 June 2012✓	Cost of Sales✓	DJ✓	5 197✓

NOMINAL ACCOUNT SECTION

DR SALES ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				31 June 2012✓	Debtors control✓	DJ✓	7 185✓

DR COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 June 2012✓	Trading stock✓	DJ✓	5 197✓				

Activity 30

Solution

Workings

Day 8

Calculator: $3600 \times 100 \div 124 = \mathbf{R2\ 903}$

DEBTORS JOURNAL (DJ) OF KARABO BUSINESS FOR JULY 2015

Doc no	Day	Name of Debtor	Sales	Cost of sales
C8	2	Malago	3 000✓	2 000✓
W4	4	Makula	1 620✓	1 080✓
K2	6	Fifi	4 320✓	2 880✓
D7	8	Esther	1 830✓	1 220✓
R5	8	Kgomotso	3 600✓	2 903✓✓
			14 370✓	10 083✓

GENERAL LEDGER

BALANCE SHEET SECTION

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 July 2015✓	Sales✓	DJ✓	14 370✓					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 July 2015✓	Cost of sales✓	DJ✓	10 083✓

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 July 2015✓	Debtors control✓	DJ✓	14 370✓

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 July 2015✓	Trading Stock✓	DJ✓	10 083✓					

Activity 31

Solution

Workings

Day 1

Calculator: $1000 \times 100 \div 120 = \mathbf{R833}$

Day 2.

Calculator: $1500 \times 100 \div 120 = \mathbf{R1\ 250}$

Day 3.

Calculator: $2800 \times 100 \div 120 = \mathbf{R2\ 333}$

Day 4.

calculator: $1400 \times 120 \div 100 = \mathbf{R1\ 680}$

Day 5.

Calculator: $3600 \times 100 \div 120 = \mathbf{R3\ 000}$

DEBTORS JOURNAL OF LALAKA BUSINESS FOR MARCH 2010

Doc no	Day	Name of debtor	Sales	Cost of sales
001	1	Sefate	1 000✓	833✓
002	2	Bonolo	1 500✓	1 250✓
003	3	Bonolo	2 800✓	2 333✓
004	4	Sefate	1 680✓	1 400✓
C07	5	Makako	3 600✓	3 000✓
			10 580✓✓	8 816✓✓

BALANCE SHEET SECTION

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 March 2010✓	Sales✓	DJ✓	10 580✓					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 March 2010✓	Cost of sales✓	DJ✓	8 816✓

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 March 2010✓	Debtors control✓	DJ✓	10 580✓

DR

COST OF SALES

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 March 2010✓	Trading Stock✓	DJ✓	8 816✓					

Activity 32

Solution

Workings

Day 14

$$\text{Sales} \times \frac{100}{100 + \text{Mark_up}}$$

Calculator: $7500 \times 100 = \div 110 = \mathbf{R6\ 818}$

Day 16

$$\text{Cost of Sales} \times \frac{100 + \text{Mark_up}}{100}$$

Calculator: $6200 \times 105 = \div 100 = \mathbf{R6\ 510}$

CASH RECEIPT JOURNAL (CPJ) OF MAKULA STORES FOR JUNE 2015

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
									Amount	Fol	Details
B/S-K1	1	Makula /owner			50 000				50 000		Capital
CRR	4	Cash Sales		12 000	12 000	12 000	8 000				
B2	6	Lebo		10 000	10 000			10 000			
F6	7	kulala		4 500	4 500				4 500		Rent income
C7	9	Lekuku		2 500	2 500			2 500			
CRR	14	Cash Sales		7 500	7 500	7 500	6 818				
CRR	16	Cash Sales		6 510	6 510	6 510	6 200				
					93 010	26 010	21 018	12 500	54 500		

Dr bank
Cr Debtors Control

GENERAL LEDGER**BALANCE SHEET SECTION**

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2015	Total Receipt	CRJ	93 010					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2015	Cost of Sales	CRJ	21 018

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2015	Bank	CRJ	12 500

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					1 June 2015	Bank	CRJ	50 000

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2015	Bank	CRJ	26 010

DR

COST OF SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2015	Trading Stock	CRJ	21 018					

DR

RENT INCOME ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					7 June 2015	Bank	CRJ	4 500

Activity 33

Solution

Workings

Day 6

Calculator: $24720 \times 100 \div 124 = \text{R}19\,935$

Day 7

Calculator: $44880 \times 117 \div 100 = \text{R}52\,510$

CASH RECEIPT JOURNAL OF MABILO STORES FOR MAY 2022

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry Account		
									Amount	Fol	Details
Y2	1	Mabilo/owner			93 200				93 200		Capital
CRR	2	Cash sales		34 600	34 600	34 600	17 720				
C4	3	Khasu		31 310	31 310			31 310			
F5	4	Dikaladua		7 890	7 890				7 890		Rent income
K6	5	Ronaldo		44 670	44 670			44 670			
CRR	6	Cash sales		24 720	24 720	24 720	19 935				
CRR	7	Cash sales		52 510	52 510	52 510	44 880				
					288 900✓✓	111 830✓	82 535✓	75 980✓	101 090✓		

GENERAL LEDGER

BALANCE SHEET SECTION

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2022✓	Total receipt✓	CRJ✓	288 900✓					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 May 2022✓	Cost of sales✓	CRJ✓	82 535✓

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 May 2022✓	Bank✓	CRJ✓	75 980✓

DR CAPITAL ACCOUNT CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					1 May 2022✓	Bank✓	CRJ✓	93 200✓

NOMINAL ACCOUNT SECTION

DR SALE ACCOUNT CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 May 2022✓	Bank✓	CRJ✓	111 830✓

DR COST OF SALES CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2022✓	Trading Stock✓	CRJ✓	82 535✓					

DR RENT INCOME CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					4 May 2022✓	Bank✓	CRJ✓	7 890✓

Activity 34

Solution

Workings

Day 8. $9000 \times 100 = \div 110 = \text{R8 182}$ **Day 18.** $4800 \times 100 = \div 112 = \text{R4 286}$

Day 20. $7200 \times 110 = \div 100 = \text{R7 920}$ **Day 22.** $3200 \times 105 = \div 100 = \text{R3 360}$

CASH RECEIPT JOURNAL (CPJ) OF SUKULA STORES FOR JUNE 2020

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
									Amount	Fol	Details
B/S - 01	1	Sukula /owner			80 000				80 000		Capital
CRR	4	Cash sales		18 000	18 000	18 000	12 000				
03	10	Lebo		11 000	11 000			11 000			
04	15	Malala		4 600	4 600				4 600		Rent income
CRR	18	Cash sales		4 800	4 800	4 800	4 286				
CRR	22	Cash sales		3 360	3 360	3 360	3 200				
					121 760	26 160	19 486	11 000	84 600		

DEBTORS JOURNAL (DJ) OF SUKULA STORES FOR JUNE 2020

Doc no	Day	Name of Debtor	Sales	Cost of sales
02	6	Lebo	11 000	8 000
B8	8	Lekuku	9 000	8 182
05	20	Lumakos	7 920	7 200
			27 920	23 382

GENERAL LEDGER

BALANCE SHEET SECTION

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2020	Total Receipt	CRJ	121 760					

TRADING STOCK ACCOUNT								
DR					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2020	Cost of Sales	CRJ	19 486
					31 June 2020	Cost of Sales	DJ	23 382
								42 868

DEBTORS CONTROL ACCOUNT								
DR					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2020	Sales	DJ	27 920		31 June 2020	Bank	CRJ	11 000
					31 June 2020	Balance	c/d	16 920
			27 920					27 920
1 July 2020	Balance	b/d	16 920					

CAPITAL ACCOUNT								
DR					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					1 June 2020	Bank	CRJ	80 000

NOMINAL ACCOUNT SECTION

SALES ACCOUNT								
DR					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 June 2020	Bank	CRJ	26 160
					31 June 2020	Debtors control	DJ	27 920
								54 080

COST OF SALES ACCOUNT								
DR					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 June 2020	Trading Stock	CRJ	19 486					
31 June 2020	Trading Stock	DJ	23 382					
			42 868					

DR					RENT INCOME ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount				
					15 June 2020	Bank	CRJ	4 600				

Activity 35

Solution

Workings

Day 4.

Calculator: $18000 \times 100 \div 120 = \mathbf{R15\ 000}$

Day 7.

calculator: $9600 \times 100 \div 124 = \mathbf{R7\ 742}$

Day 8.

Calculator: $14400 \times 120 \div 100 = \mathbf{R17\ 280}$

Day 9.

calculator: $6400 \times 110 \div 100 = \mathbf{R7\ 040}$

CASH RECEIPT JOURNAL (CPJ) OF MAMABOLO BUSINESS FOR APRIL 2021

Doc no	Day	Details	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
								Amount	Fol	Details
A2	1	Mamabolo/owner		160 000				160 000✓		Capital✓
CRR	2	Cash sales	36 000	36 000	36 000✓	24 000✓				
A3	5	Wise lady	22 000	22 000			22 000✓			
A4	6	Victory	9 200	9 200				9 200✓		Rent income✓
CRR	7	Cash sales	9 600	9 600	9 600✓	7 742✓				
CRR	9	Cash sales	7 040	7 040	7 040✓	6 400✓				
				243 840✓	52 640✓	38 142✓	22 000✓	169 200✓		

DEBTORS JOURNAL (DJ) OF MAMABOLA BUSINESS FOR APRIL 2021

Doc no	Day	Name of Debtor	Sales	Cost of sales
BB2	3	Wise lady	22 000✓	16 000✓
BB3	4	Amanda	18 000✓	15 000✓
BB4	8	Grace	17 280✓	14 400✓
			57 280✓	45 400✓

GENERAL LEDGER**BALANCE SHEET SECTION**

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 April 2021✓	Total receipt✓	CRJ✓	243 840✓					

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 April 2021✓	Cost of sales✓	CRJ✓	38 142✓
					31 April 2021✓	Cost of sales✓	DJ✓	45 400✓
								83 542✓

DR

DEBTORS CONTROL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 April 2021✓	Sales✓	DJ✓	57 280✓		31 April 2021✓	Bank✓	CRJ✓	22 000✓
					31 April 2021✓	Balance	c/d	35 280✓
			57 280					57 280✓
1 May 2021✓	Balance	b/d	35 280✓					

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					1 April 2021✓	Bank✓	CRJ✓	160 000✓

NOMINAL ACCOUNT SECTION

DR

SALES ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 April 2021✓	Bank✓	CRJ✓	52 640✓
					31 April 2021✓	Debtors control✓	DJ✓	57 280✓
								109 920✓

DR				COST OF SALES ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
31 April 2021✓	Trading Stock✓	CRJ✓	38 142✓								
31 April 2021✓	Trading Stock✓	DJ✓	45 400✓								
			83 542✓								

DR					RENT INCOME ACCOUNT				CR	
Date	Details	Fol	Amount		Date	Details	Fol	Amount		
					6 April 2021✓	Bank✓	CRJ✓	9 200✓		

Activity 36

Solution

Workings

Day 3. $54500 \times 100 = \div 130 = \mathbf{R41\ 923}$

Day 4. $6810 \times 100 = \div 130 = \mathbf{R5\ 238}$

Day 5. $7520 \times 100 = \div 130 = \mathbf{R5\ 785}$

Day 10. $12800 \times 100 = \div 130 = \mathbf{R9\ 846}$

Day 12. $13400 \times 130 = \div 100 = \mathbf{R17\ 420}$

Day 15. $4860 \times 130 = \div 100 = \mathbf{R6\ 318}$

CASH RECEIPT JOURNAL (CPJ) OF ADB SHOP FOR MAY 2012

Doc no	Day	Details	Fol	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
									Amount	Fol	Details
C2	1	Owner			280 000				280 000		Capital
CRR	4	Cash sales		6 810	6 810	6 810	5 238				
B5	6	T Kuma		5 030	5 030				5 030		Rent income
D6	7	G Sam		34 000	34 000			34 000			
D9	8	P Paul		7 520	7 520			7 520			
CRR	12	Cash sales		17 420	17 420	17 420	13 400				
E16	13	G Sam		10 000	10 000			10 000			
D34	14	M Mum		5 000	5 000			5 000			
					365 780	24 230	18 638	56 520	285 030		

CASH PAYMENT JOURNAL (CPJ) OF ADB SHOP FOR MAY 2012

Doc no	Day	Name of	Fol	Bank	Trading Stock	Stationery	Sundry Account		
							Amount	Fol	Details
C4	2	Bingo shop		99 450	99 450				
A10	9	Maratha Stationer		5 400		5 400			
K7	11	Malas Garage		15 890			15 890		Repairs
				120 740	99 450	5 400	15 890		

DEBTORS JOURNAL (DJ) OF ADB SHOP FOR MAY 2012

Doc no	Day	Name of Debtor	Sales	Cost of sales
B23	3	G Sam	54 500	41 923
D54	5	P Paul	7 520	5 785
E13	10	M Mum	12 800	9 846
B22	15	KKD	6 318	4 860
			81 138	62 414

GENERAL LEDGER**BALANCE SHEET SECTION**

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 May 2012	Total Receipt	CRJ	365 780	31 May 2012	Total Payment	CPJ	120 740
				31 May 2012	Balance	c/d	245 040
			365 780				365 780
1 June 2012	Balance	b/d	245 040				

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 May 2012	Bank	CPJ	99 450	31 May 2012	Cost of Sales	CRJ	18 638
				31 May 2012	Cost of Sales	DJ	62 414
				31 May 2012	Balance	c/d	18 398
			99 450				99 450
1 June 2012	Balance	b/d	18 398				

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				1 May 2012	Bank	CRJ	280 000

DR DEBTORS CONTROL ACCOUNT					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2012	Sales	DJ	81 138		31 May 2012	Bank	CRJ	56 520
					31 May 2012	Balance	c/d	24 618
			81 138					81 138
1 June 2012	Balance	b/d	24 618					

NOMINAL ACCOUNT SECTION

DR SALES ACCOUNT					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					31 May 2012	Bank	CRJ	24 230
					31 May 2012	Debtors control	DJ	81 138
								105 368

DR COST OF SALES ACCOUNT					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2012	Trading Stock	CRJ	18 638					
31 May 2012	Trading Stock	DJ	62 414					
			81 052					

DR RENT INCOME ACCOUNT					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
					6 May 2012	Bank	CRJ	5 030

DR STATIONERY ACCOUNT					CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount
31 May 2012	Bank	CPJ	5 400					

DR

REPAIRS ACCOUNT

CR

Date	Details	Fol	Amount		Date	Details	Fol	Amount
11 May 2012	Bank	CPJ	15 890					

TRIAL BALANCE OF ADB SHOP FOR MAY 2012

Details	DEBIT (DR)	CREDIT (CR)
<u>BALANCE SHEET SECTION</u>		
Bank	245 040	
Trading Stock	18 398	
Debtors Control	24 618	
Capital		280 000
<u>NOMINAL ACCOUNT SECTION</u>		
Sales		105 368
Cost of Sales	81 052	
Rent Income		5 030
Stationery	5 400	
Repairs	15 890	
TOTAL	390 398	390 398

Effect of the transaction on the Accounting Equation

Let's do the analysis for Day 2, 4, 5 and 7.

EFFECTS OF CASH AND CREDIT TRANSACTIONS ON THE ACCOUNTING EQUATION

Doc no	JOURNAL AND TRANSACTION	SOURCE DOCUMENT	ACCOUNTS DEBITED	ACCOUNTS CREDITED	ASSETS	OWNER'S EQUITY	LIABILITY
2	(CPJ) Trading Stock	Original receipt	Trading Stock	Bank	-R99 450 +R99 450		
4	(CRJ) Sales	Cash register roll / Duplicate receipt	Bank	Sales	+R6 810	+R6 810	
	Cost of Sales	Original receipt / B/S	Cost of Sales	Trading Stock	-R5 238	-R5 238	
5	(DJ) Sales	Duplicate receipt	Debtors Control	Sales	+R7 520	+R7 520	
	Cost of Sales	Original receipt / B/S	Cost of Sales	Trading Stock	-R5 785	-R5 785	
7	(CRJ) Debtors Control	Duplicate Receipt	Bank	Debtors Control	+R34 000	+R34 000	

INDIVIDUAL DEBTORS LEDGER IN THE BOOKS OF ADB SHOP

G SAM ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
3 May 2012	Invoice no B22	DJ	54 500		54 500
7 May 2012	Receipt no D6	CRJ		34 000	20 500
13 May 2012	Receipt no E16	CRJ		10 000	10 500

P PAUL ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
5 May 2012	Invoice no D54	DJ	7 520		7 520
8 May 2012	Receipt no D9	CRJ		7 520	0

M MUM ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
10 May 2012	Invoice no E12	DJ	12 800		12 800
14 May 2012	Receipt no D34	CRJ		5 000	7 800

KKD ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
15 May 2012	Invoice no B22	DJ	6 318		6 318

Activity 37

Solution

Workings

Day 9.

Calculator: $109000 \times 100 = \div 133 = \mathbf{R81\ 955}$

Day 12.

Calculator: $13620 \times 100 = \div 133 = \mathbf{R10\ 241}$

Day 16.

Calculator: $15040 \times 100 = \div 133 = \mathbf{R11\ 308}$

Day 25.

Calculator: $25600 \times 100 = \div 133 = \mathbf{R19\ 248}$

Day 27.

Calculator: $26800 \times 133 = \div 100 = \mathbf{R35\ 644}$

Day 30.

Calculator: $9720 \times 133 \div 100 = \mathbf{R12\ 928}$

CASH RECEIPT JOURNAL (CPJ) OF FAVOUR BUSINESS FOR JULY 2017

Doc no	Day	Details	Analysis of receipt	Bank	Sales	Cost of sales	Debtors control	Sundry accounts		
								Amount	Fol	Details
01	1	Favour/owner		560 000				560 000✓		Capital✓
CRR	12	Cash sales	13 620	13 620	13 620✓	10 241✓				
05	17	T Kuma	10 060	10 060				10 060✓		Rent income✓
06	18	Hope	68 000	68 000			68 000✓			
07	23	Faith	15 040	15 040			15 040✓			
CRR	27	Cash sales	35 644	35 644	35 644✓	26 800✓				
011	28	Hope	21 600	21 600			21 600✓			
012	29	Blessing	10 310	10 310			10 310✓			
				734 274✓	49 264✓	37 041✓	114 950✓	570 060✓		

CASH PAYMENT JOURNAL (CPJ) OF FAVOUR BUSINESS FOR JULY 2017

Doc no	Day	Name of	Fol	Bank	Trading Stock	Stationery	Sundry Account		
							Amount	Fol	Details
02	8	Bingo shop		215 760	215 760✓				
08	24	Maraba Ent.		10 800		10 800✓			
010	26	Bala Ent.		78 650	49 680✓		28 970✓		Repairs✓
				305 210✓	265 440✓	10 800✓	28 970✓		

DEBTORS JOURNAL (DJ) OF FAVOUR BUSINESS FOR JULY 2017

Doc no	Day	Name of Debtor	Sales	Cost of sales
03	9	Hope	109 000✓	81 955✓
04	16	Faith	15 040✓	11 308✓
09	25	Blessings	25 600✓	19 248✓
013	30	Kwame	12 928✓	9 720✓
			162 568✓	122 231✓

GENERAL LEDGER**BALANCE SHEET SECTION**

DR

BANK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 July 2017	Total receipt	CRJ	734 274✓	31 July 2017	Total payment	CPJ	305 210✓
				31 July 2017	Balance	c/d	429 064✓
			734 274✓				734 274✓
1 Aug. 2017	Balance	b/d	429 064✓				

DR

TRADING STOCK ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 July 2017	Bank	CPJ	265 440✓	31 July 2017	Cost of sales	CRJ	37 041✓
				31 July 2017	Cost of sales	DJ	122 231✓
				31 July 2017	Balance	c/d	106 168✓
			265 440				265 440✓
1 Aug. 2017	Balance	b/d	106 168✓				

DR

CAPITAL ACCOUNT

CR

Date	Details	Fol	Amount	Date	Details	Fol	Amount
				1 July 2017	Bank	CRJ	560 000✓

DR DEBTORS CONTROL ACCOUNT				CR			
Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 July 2017	Sales	DJ	162 568✓	31 July 2017	Bank	CRJ	114 950✓
				31 July 2017	Balance	c/d	47 618✓
			162 568				162 568✓
1 Aug. 2017	Balance	b/d	47 618✓				

NOMINAL ACCOUNT SECTION

DR SALES ACCOUNT				CR			
Date	Details	Fol	Amount	Date	Details	Fol	Amount
				31 July 2017	Bank	CRJ	49 264✓
				31 July 2017	Debtors control	DJ	162 568✓
							211 832✓

DR COST OF SALES ACCOUNT				CR			
Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 July 2017	Trading stock	CRJ	37 041✓				
31 July 2017	Trading stock	DJ	122 231✓				
			159 272✓				

DR RENT INCOME ACCOUNT				CR			
Date	Details	Fol	Amount	Date	Details	Fol	Amount
				5 July 2017	Bank	CRJ	10 060✓

DR STATIONERY ACCOUNT				CR			
Date	Details	Fol	Amount	Date	Details	Fol	Amount
31 July 2017	Bank	CPJ	10 800✓				

DR				REPAIRS ACCOUNT				CR			
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
26 July 2017	Bank	CPJ	28 970✓								

TRIAL BALANCE OF ADB SHOP FOR MAY 2012

Details	DEBIT (DR)	CREDIT (CR)
<u>BALANCE SHEET SECTION</u>		
Bank	429 064✓	
Trading Stock	106 168✓	
Debtors Control	47 618✓	
Capital		560 000✓
<u>NOMINAL ACCOUNT SECTION</u>		
Sales		211 832✓
Cost of Sales	159 272✓	
Rent income		10 060✓
Stationery	10 800✓	
Repairs	28 970✓	
TOTAL	781 892✓	781 892✓

EFFECTS OF CASH AND CREDIT TRANSACTIONS ON THE ACCOUNTING EQUATION

Doc No	Journal Transaction	And	Source Document	Accounts Debited	Accounts Credited	Assets	Owner's Equity	Liability
5	(CRJ) Capital✓		Duplicate receipt / Bank statement ✓	Bank ✓	Capital ✓	+R560 000 ✓	+R560 000 ✓	
16	(DJ) Sales✓		Duplicate receipt ✓	Debtors control ✓	Sales ✓	+R15 040 ✓	+R15 040 ✓	
	Cost of Sales✓		Original receipt / B/S ✓	Cost of sales ✓	Trading stock ✓	-R11 308 ✓	-R11 308 ✓	
23	(CRJ) Debtors✓		Duplicate receipt ✓	Bank ✓	Debtors control ✓	+R15 040 ✓	+R15 040 ✓	
24	(CPJ) Stationery✓		Original receipt / B/S ✓	Stationery ✓	Bank ✓	-R10 800 ✓	-R10 800 ✓	

DEBTORS LEDGER**HOPE ACCOUNT**

Day	Details	Fol	Debit (+)	Credit (-)	Balance
9 July 2017✓	Invoice no 03✓	DJ✓	109 000✓		109 000✓
18 July 2017✓	Receipt no 06✓	CRJ✓		68 000✓	41 000✓
28 July 2017✓	Receipt no 011✓	CRJ✓		21 600✓	19 400✓

FAITH ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
16 July 2017✓	Invoice no 04✓	DJ✓	15 040✓		15 040✓
23 July 2017✓	Receipt no 07✓	CRJ✓		15 040✓	0✓

BLESSING ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
25 July 2017✓	Invoice no 09✓	DJ✓	25 600✓		25 600✓
29 July 2017✓	Receipt no 012✓	CRJ✓		10 310✓	15 290✓

KWAME ACCOUNT

Day	Details	Fol	Debit (+)	Credit (-)	Balance
30 July 2017✓	Invoice no 013✓	DJ✓	12 928✓		12 928✓

Say this every morning and tell yourself, Words are powerful.

- Light has come
- I am a professional
- I am rich
- I am intelligent
- I am special
- I am educated
- I can't be poor
- I can't be less
- I am wise
- Power is in my mouth
- I am the best
- I belong to the top
- I AM BLESSED!
- WHAT I SAY, I BECOME!
- Indeed light has come

*I AM ECONOMIST! I AM ENTREPRENEUR!
I AM ACCOUNTANT!*

*LEARNERS/EDUCATORS are encouraged to go **through** ALL the activities in the learner's book and teacher's guide done, marked as revision in preparation for the MID year and END-of-year examination.*

LIGHT HAS COME!

THE END OF TERM 2