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Topic 5

Cash Journals

QUESTION 1 (ACCOUNTING EQUATION)

The following information was obtained from Petro Hair for March 2024.

1. The owner paid R3 500 with an EFT from the bank of Petro Hair to pay the school fees of her daughter.
2. Services rendered according to cash register roll R5 200.
3. Pay R4 700 with an EFT to Quality Equipment for the purchase of equipment.
4. Receipt issued for R2 900 to S. Louw for rent of part of the premises.

Indicate the amount assets, equity and liabilities will increase or decrease.

No	Source document	Account debited	Account credited	Assets	Equity	Liabilities
Ex	Bank statement EFT	Electricity	Bank	-600	-600	
1						
2						
3						
4						

QUESTION 2 (CALCULATIONS)

Complete the calculations to determine the missing figures.

Sales price	Profit percentage on cost price	Cost price
(a)	33 1/3%	R60 000
R210 000	75%	(b)
R80 000	(c)	R50 000

(a)	
(b)	
(c)	

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QUESTION 3 (CASH RECEIPTS JOURNAL)

The following information was obtained from Go Ahead Repair Services for April 2024.

Transactions for April 2024

1. The owner, P. Mokoena increased his capital contribution from R80 000 to R100 000 with a direct deposit in the bank account of Go Ahead Repair Services.
8. Services rendered for cash, R24 000.
17. Issued receipt 44 to V. le Roux for R4 700 for rent income.
    Services rendered for cash according to the cash register roll, R32 000.
28. Credit card used for services rendered for R4 300.
    Services rendered for cash according to the cash register roll for R7 100.

Complete the entries in the cash receipts journal of Go Ahead Services for April 2024.

Go Ahead Services
Cash receipts journal – April 2024 **CRJ**

Doc nr	Day	Details	Fol	Analysis of receipts	Bank	Services rendered	Sundry accounts		
							Amount	Fol	Details

QUESTION 4 (CASH RECEIPTS JOURNAL)

The information was obtained from the accounting records of Marie Hairdresser for May 2024.

1.	The owner, Marie Louw, deposited R50 000 as her capital contribution, directly into the bank account of the business.
9.	Services rendered for cash according to the cash register roll, R14 900.
9.	One of the clients paid with an EFT to cut and style her hair for a special event.
21.	Services rendered according to cash register roll, R13 800.
21.	Issued receipt no. 01 to Marie Louw for cash received to increase her capital contribution from R50 000 to R55 000.

Complete the entries in the cash receipts journal of Marie Hairdresser for May 2024.

Marie Hairdresser
Cash receipts journal – May 2024 **CRJ**

Doc nr	Day	Details	Fol	Analysis of receipts	Bank	Services rendered	Sundry accounts		
							Amount	Fol	Details

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QUESTION 5 (CASH PAYMENTS JOURNAL)

The information was obtained from the accounting records of Marie Hairdresser for May 2024.

1.	Withdraw R1 500 cash at the ATM to pay the deposit for electricity.
2.	EFT for R3 000 to Rentcor for the rent of the premises.
3.	Debit card payment for R6 000 to Hair Suppliers for hair supplies purchased.
4.	Debit card payment for R9 300 to Quality Stores for the purchase of equipment, R8 000 and hair products, R1 300.
5.	EFT for R800 to the Star as payment for an advertisement in the newspaper. This advertisement was placed to advertise the opening of the business on 5 May 2024.
12.	Withdraw R1 200 cash at the ATM to pay for refreshments, R300 and wages R900.
16.	Debit card payment for R3 900 to Moss Stores for hair supplies purchased.
19.	Withdraw R1 050 from the bank to purchase stationery, R150 and to pay wages, R900.
26.	Withdraw money at the ATM to pay the weekly wages at the increased amount. The owner decided to increase the weekly wages with 10%.
28.	EFT for R600 to the City Council to pay the electricity account.

Complete the entries in the cash payments journal of Marie Hairdresser for May 2024.

Marie Hairdresser
Cash payments journal – May 2024 **CPJ**

Doc no	Day	Details	Fol	Bank	Trading stock	Salaries and wages	Sundry accounts		
							Amount	Fol	Details

QUESTION 6 (SUBSIDIARY JOURNALS)

The information was obtained from the accounting records of Brown Electricians for July 2024.

1.	The owner, Sydney Brown, deposited R60 000 as his capital contribution, directly into the bank account of the business.
2.	EFT for R3 000 to Rentcor for the rent of the premises.
3.	Debit card payment for R36 000 to Electrical Suppliers for equipment, R28 000 and electrical parts, R8 000 purchased.
4.	Withdraw R1 000 cash at the ATM to pay the deposit for electricity.
7.	Withdraw R2 050 from the bank to purchase stationery, R250 and to pay the weekly wages, R1 800.
9.	Services rendered according to cash register roll, R28 000.
9.	Issued receipt no. 01 to Sydney Brown for cash received to increase his capital contribution from R60 000 to R65 000.

11.	Debit card payment for R8 600 to Quality Stores for the purchase of equipment, R7 000 and electrical parts, R1 600.
14.	Withdraw R4 050 at the ATM to purchase electrical supplies, R2 250 and to pay the weekly wages, R1 800.
	A client paid for services rendered with an EFT, R4 200.
21.	Withdraw R1 800 at the ATM to pay the weekly wages. The three employees receive equal wages. The owner decided to appoint another employee from the beginning of the next week at the same wages
28	Withdraw cash at the ATM to pay the weekly wages of four employees.
29	A client paid for services rendered with an EFT, R8 600.
	Services rendered according to cash register roll, R4 700.

Complete the entries in the cash journasl of Brown Electricians for July 2024.

Brown Electricians
Cash receipts journal – July 2024 **CRJ**

Doc nr	Day	Details	Fol	Analysis of receipts	Bank	Services rendered	Sundry accounts		
							Amount	Fol	Details

Brown Electricians
Cash payments journal – July 2024 **CPJ**

Doc no	Day	Details	Fol	Bank	Wages	Equipment	Sundry accounts		
							Amount	Fol	Details

QUESTION 7 (SUBSIDIARY JOURNALS)

The information was obtained from the accounting records of Schalk Garden Services for July 2024.

1.	The owner, Schalk Nel deposited R80 000, directly into the bank account of the business as his capital contribution.
3.	Debit card payment for R36 000 to Equipment Suppliers for equipment, R35 600 and stationery, R400 purchased.
4.	EFT of R1 000 to Rentcor for rent of a property.
8.	Withdraw R2 400 at the ATM to pay the telephone, R600 and wages, R1 800.
10.	Services rendered according to cash register roll, R28 000.
12.	A client paid for services rendered with an EFT, R4 200.
13.	Debit card payment of R8 600 to Quality Stores for the purchases of equipment, R7 000 and electrical parts, R1 600.
16.	Withdraw R3 800 at the ATM for purchases of electrical parts, R2 000 and to pay the weekly wages, R1 800.
20.	Services of rendered for cash, R3 750. Services rendered paid by EFT, R4 380
23.	Withdraw R2 800 at the ATM to pay the weekly wages, R1 800 and for the personal use of the owner, R1 000.
26.	Obtain a loan of R10 000 at Allied at an interest rate of 12% per annum. Allied paid the money with an EFT in the bank account of Schalk Garden Services.
29	A client paid for services rendered with an EFT, R18 600.
30	Paid Speedy Repairs with an EFT of R900 for repairs.
	Withdraw R1 800 cash at the ATM to pay wages.

Complete the entries in the cash journals of Schalk Garden Services for July 2024.

Schalk Garden Services
Cash receipts journal – July 2024 **CRJ**

Doc nr	Day	Details	Fol	Analysis of receipts	Bank	Services rendered	Sundry accounts		
							Amount	Fol	Details

Schalk Garden Services
Cash payments journal – July 2024 **CPJ**

Doc no	Day	Details	Fol	Bank	Wages	Equipment	Parts	Sundry accounts		
								Amount	Fol	Details

QUESTION 8 (SUBSIDIARY JOURNALS)

The information was obtained from the accounting records of Wilbur Plumbers for May 2024.

1. P. Wilbur paid R160 000 with an EFT into the bank account of Wilbur Plumbers as his capital contribution.
2. EFT R4 000 to Rent Collections to pay the rent for May 2024.
3. EFT R18 000 to Plumber Suppliers for plumbing parts purchased.
5. EFT R26 800 to Benoni Suppliers to purchase equipment.
7. EFT R80 000 to Menlyn Motors to pay for a delivery vehicle purchased.
9. Services rendered, R24 800, according to cash register roll.
   Issued receipt to P. Wilbur for cash received to increase his capital contribution to R180 000.
11. Withdraw money at the ATM R3 500 for wages, R2 800 and for petrol for the vehicle R700.
14. EFT R680 to the City Council to pay for electricity.
17. EFT R9 400 to Plumber Suppliers to purchase plumbing parts.
19. Services rendered, R18 700. The client paid with a debit card.
20. EFT R240 to VODACOM to pay the telephone account.
21. EFT R130 to Rekord to pay for advertising.
24. Services rendered R7 800 paid with an EFT.
24. Services rendered, R18 600, according to cash register roll.
28. Withdraw R3 200 to pay wages, R2 800 and R400 for stationery.

Complete the transactions in the subsidiary journals of Wilbur Plumbers for May 2024.

Wilber Plumbers
Cash receipts journal – May 2024 **CRJ**

Doc nr	Day	Details	Fol	Analysis of receipts	Bank	Services rendered	Sundry accounts		
							Amount	Fol	Details

Wilber Plumbers Cash payments journal – July 2024							**CPJ**		
Doc no	**Day**	**Details**	**Fol**	**Bank**	**Plumbing parts**	**Wages**	**Sundry accounts**		
							Amount	**Fol**	**Details**

QUESTION 9 (SUBSIDIARY JOURNALS)

The owner of Roy Stores, Roy Els, provided you with the following information from the accounting records for May 2024. The accountant is on leave but has accounted for the transactions for the period 1 to 14 May 2024. The owner, Roy Els, asked you to complete the entries for May 2024. The business maintains a profit mark-up of 75% on cost.

Transactions for the period 15 May 2021 to 31 May 2024:

17. Sales according to cash register roll, R52 500.
20. The owner decided on a 10% increase in wages from 20 May 2024. Withdraw cash at the ATM to pay the wages.
24. Issued a receipt for R1 200 to B. Nel for rent of part of the premises.
    Goods with a cost price of R3 600 was sold for cash to owner's brother.

26 EFT to Quality Suppliers for R8 200 to purchase trading stock, R6 900 and equipment R1 300.

27. The owner made a direct deposit of R40 000 into the bank account of the business to increase his capital contribution.
27. Sales according to cash register roll, R63 000. (cost price R36 000)
30. Withdraw R620 to pay wages R440 and purchase stationery for R180.
31. EFT R7 000 to B. Smart for his monthly salary.

Uses the information of Roy Winkels to complete the cash journals from 15 to 31 May 2024. The transactions completed by the bookkeeper must be considered when the totals of the columns are determined.

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Roy Stores
Cash payments journal – May 2024 **cpJ**

Doc no	Day	Details	Fol	Bank	Trading stock	Salaries	Sundry accounts		
							Amount	Fol	Details
BS	1	Pretor		2 700			2 700		Rent
BS	4	City Council		840			840		Electricity
BS	5	SANLAM		930			930		Insurance
BS	10	Kontant		400		400			
BS	11	Quick Stores		14 600	14 600				
BS	13	Vodacom		380			380		Telephone

Roy Stores
Cash receipts journal – May 2024 **CRJ**

Doc no	Day	Details	Fol	Analysis of receipts	Bank	Sales	Cost of sales	Sundry accounts		
								Amount	Fol	Details
41	6	B Celliers	D2	4 000	4 000			4 000		Services rendered
CRR	14	Sales		21 000		21 000	12 000			
BS	14	Home Goodies		3 000	24 000			3 000		Commission

QUESTION 10 (SUBSIDIARY JOURNALS AND LEDGER)

The following information was obtained from the accounting records of Quality Stores for July 2024. Quality Stores maintains a profit mark-up percentage of 70% on cost price.

The following balances and totals appeared in the trial balance of Quality Stores on 30 June 2024:

Details	Fol	Debit	Credit
Capital	B1		152 210
Drawings	B2	9 300	
Land and buildings	B3	60 000	
Equipment	B4	36 200	
Trading stock	B5	48 600	
Bank	B6	31 700	
Cost of sales	N1	111 700	
Sales	N2		189 890
Rent income	N3		24 000
General expenses	N4	32 600	
Salaries and wages	N5	36 000	
		366 100	366 100

Additional transactions during July 2024:

6. Issued receipt no. 71 for R3 200 to Bean Traders for commission received.
7. EFT for R1 260 to purchase stationery, R260 and R1 000 for the personal use of the owner.
14. EFT to Wholesale Supplies for R28 300 for equipment, R15 300 and trading stock, R13 000.
17. Withdraw R600 at the ATM to pay wages.
20. Debit card payment of R28 000 to Botha Stores for trading stock purchased.
27. Issued receipt no. 72 for R4 000 to Mega Properties for rent.
    Cash sales according to cash register tape, R47 600.

10.1 Complete the entries in the cash journals.

Quality Stores
Cash receipts journal – July 2024 **CRJ**

Doc no	Day	Details	Fol	Analysis of receipts	Bank	Sales	Cost of sales	Sundry accounts		
								Amount	Fol	Details
CRR	3	Sales		81 600	81 600	81 600	48 000			

Quality Stores
Cash payments journal – July 2024 **CPJ**

Doc no	Day	Details	Fol	Bank	Salaries	Trading stock	Sundry accounts		
							Amount	Fol	Details
BS	1	Cash		600	600				
BS	2	TELCOM		260			260	N4	General expenses
BS	3	Menlyn Stores		18 800		18 800			
BS	5	Brom Stores		180			180	N4	General expenses

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10.2 Post the entries from the journals to the accounts in the general ledger.

Quality Stores
General ledger

			Capital			**B1**	
				Jul 1	**Balance**	**b/d**	**152 210**
			Drawings			**B2**	
Jul 1	**Balance**	**b/d**	**9 300**				
			Land and buildings			**B3**	
Jul 1	**Balance**	**b/d**	**60 000**				
			Equipment			**B4**	
Jul 1	**Balance**	**b/d**	**36 200**				
			Trading stock			**B5**	
Jul 1	**Balance**	**b/d**	**48 600**				
			Bank			**B6**	
Jul 1	**Balance**	**b/d**	**31 700**				
			Cost of sales			**N1**	
Jul 01	**Balance/Total**	**b/d**	**111 700**				
			Sales			**N2**	
				Jul 01	**Balance/Total**	**b/d**	**189 890**
			Rent income			**N3**	
				Jul 01	**Balance/Total**	**b/d**	**24 000**
			General expenses			**N4**	
Jul 01	**Balance/Total**	**b/d**	**32 600**				
			Salaries and wages			**N5**	
Jul 01	**Balance/Total**	**b/d**	**36 000**				
			Stationery			**N6**	
			Commission income			**N7**	

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3.3 Prepare the trial balance of Quality Stores on 31 July 2024.

Quality Stores Trial balance on 31 July 2024			
Details	**Fol**	**Debit**	**Credit**
Balance sheet accounts section			
Capital	B1		
Drawings	B2		
Land and buildings	B3		
Equipment	B4		
Trading stock	B5		
Bank	B6		
Nominal accounts section			
Cost of sales	N1		
Sales	N2		
Rent income	N3		
General expenses	N4		
Salaries and wages	N5		
Stationery	N6		
Commission income	N7		

QUESTION 3 (SUBSIDIARY JOURNALS AND LEDGER)

Use the information obtained from the accounting records of Quality Stores for July 2024 to prepare the subsidiary journals and accounts in the general ledger. Quality Stores maintains a profit mark-up of 70% on cost price.

3.1 Complete the entries in the cash receipts journal and cash payments journal of Quality Stores for July 2024. The entries for 1 - 5 July 2024 has already been completed in the subsidiary journals.

Quality Stores Cash receipts journal – July 2024										**CRJ**
Doc	**Day**	**Details**	**Fol**	**Analysis of receipts**	**Bank**	**Sales**	**Cost of sales**	**Sundry accounts**		
								Amount	**Fol**	**Details**
CRR	**03**	**Sales/Cash**		**81 600**	**81 600**	**81 600**	**48 000**			

Quality Stores

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Cash payments journal – July 2024									CPJ
Doc	**Day**	**Details**	**Fol**	**Bank**	**Salaries and wages**	**Trading stock**	**Sundry accounts**		
							Amount	**Fol**	**Details**
195	01	Cash		600	600				
196	02	TELCOM		260			260	N4	General expenses
197	03	Menlyn Stores		18 800		18 800			
198	05	Brom Traders		180			180	N4	General expense

3.2 Post the entries in the subsidiary journals to the accounts in the general ledger.

QUESTION 3 (SUBSIDIARY JOURNALS AND LEDGER) (49 marks ; 44 minutes)

Use the information obtained from the accounting records of Quality Stores for July 2018 to prepare the subsidiary journals and accounts in the general ledger. Quality Stores maintains a profit mark-up of 70% on cost price.

3.1 Complete the entries in the cash receipts journal and cash payments journal of Quality Stores for July 2018. The entries for 1 - 5 July 2018 has already been completed in the subsidiary journals. (26)

Quality Stores Cash receipts journal – July 2018 CRJ										
Doc	**Day**	**Details**	**Fol**	**Analysis of receipts**	**Bank**	**Sales**	**Cost of sales**	**Sundry accounts**		
								Amount	**Fol**	**Details**
CRR	**03**	**Sales/Cash**		**81 600**	**81 600**	**81 600**	**48 000**			
71	06	Bean Traders		3 200	3 200			3 200	N7	Commission Income✓
72	27	Mega Properties		✓4 000				✓4 000	N3	Rent income✓
CRR	27	Sales/Cash (47 600 x 100/170)		✓47 600	✓51 600	✓47 600	✓✓28 000			

		(☑for totals)			136 400	129 200	76 000	7 200		
					B6	N2	B5/N1			(10)

Quality Stores Cash payments journal – July 2018 CPJ									
Doc	**Day**	**Details**	**Fol**	**Bank**	**Salaries and wages**	**Trading stock**	**Sundry accounts**		
							Amount	**Fol**	**Details**
195	**01**	**Cash**		**600**	**600**				
196	**02**	**TELCOM**		**260**			**260**	**N4**	**General expenses**
197	**03**	**Menlyn Stores**		**18 800**		**18 800**			
198	**05**	**Brom Traders**		**180**			**180**	**N4**	**General expense**
199	07	Cash		✓1 260			✓260	N6	Stationery ✓
							✓1 000	B2	Drawings✓
200	14	Wholesale Supplies		✓28 300		✓13 000	✓15 300	B4	Equipment✓
201	17	Cash		✓600	✓600				
202	20	Botha Stores		✓28 000		✓28 000			
		(☑for totals)		78 000	1 200	59 800	17 000		
(☑ Doc)		(☑folio numbers)		B6	N5	B5			(16)

3.2 Post the entries in the subsidiary journals to the accounts in the general ledger.

Quality Stores General ledger							
				Capital		**B1**	
				July 01	**Balance**	**b/d**	**152 210**
				Drawings		**B2**	
July 01	**Balance**	**b/d**	**9 300**				
07	Bank	CPJ	✓1 000				
			10 300				
				Land and buildings		**B3**	
July 01	**Balance**	**b/d**	**60 000**				
				Equipment		**B4**	
July 01	**Balance**	**b/d**	**36 200**				
14	Bank	CPJ	✓15 300				
			51 500				
				Trading stock		**B5**	
July 01	**Balance**	**b/d**	**48 600**	July 31	Cost of sales✓	CRJ	76 000
31	Bank✓	CPJ	59 800		Balance	c/d	32 400
			108 400				108 400
Aug 01	Balance	b/d	☑32 400				
				Bank		**B6**	

July 01	**Balance**	**b/d**	**31 700**	July 31	Total payments✓	CPJ	78 000
31	Total receipts ✓	CRJ	136 400		Balance	c/d	90 100
			168 100				168 100
Aug 01	Balance	b/d	☑90 100				
			Cost of sales			**N1**	
July 01	**Balance/Total**	**b/d**	**111 700**				
31	Trading stock✓	CRJ	76 000				
			187 700				
			Sales			**N2**	
				July 01	**Balance/Total**	**b/d**	**189 890**
				31	Bank✓	CRJ	129 200
							319 090
			Rent income			**N3**	
				July 01	**Balance/Total**	**b/d**	**24 000**
				27	Bank✓	CRJ	4 000
							28 000
			General expenses			**N4**	
July 01	**Balance/Total**	**b/d**	**32 600**				
02	Bank	CPJ	✓260				
05	Bank	CPJ	✓180				
			✓33 040				
			Salaries and wages			**N5**	
July 01	**Balance/Total**	**b/d**	**36 000**				
31	Bank✓	CPJ	1 200				
			37 200				
			Stationery			**N6**	
July 7	Bank	CPJ	✓260				
			Commission income			**N7**	
				July 06	Bank	CRJ	✓3 200

3.3 Prepare the trial balance of Quality Stores on 31 July 2018. (6)

Quality Stores Trial balance on 31 July 2018			
Details	**Fol**	**Debit**	**Credit**
Capital	B1		152 210
Drawings	B2	10 300	
Land and buildings	B3	60 000	
Equipment	B4	51 500	
Trading stock	B5	32 400	
Bank	B6	90 100	
Cost of sales	N1	187 700	
Sales	N2		319 090
Rent income	N3		28 000
General expenses	N4	33 040	
Salaries and wages	N5	37 200	
Stationery	N6	260	
Commission income	N7		3 200

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(6 marks for capital, drawings, assets, income and expenses on the correct side of trial balance)		502 500	502 500