

# FORMATIVE ASSESSMENT WORKBOOK

## *Unit Standard 119674*

## Activity 18 (SO1, AC1)

Why should you open a banking account? Discuss this question in a group


What could the consequence be if you did not open a banking account? Discuss this question in a group.


Make a list of all the types of accounts and products that banks offer that you know of.


## Activity 19 (SO1, AC2)

This is an individual activity

In handout 1 you will find the following documents:

- ✓ A form to open an account
- ✓ Deposit slips
- ✓ Cheques

Do the following:

1. Complete the form to open an account
2. Make out a deposit slip to deposit the following into your bank account:
  - A cheque for R700 issued by P. Polokwane for transport for the following two months ahead for children.
  - And cash of R13500.
3. Write out the following cheques.
  - You need to buy new seats for one of your buses so that it meets the standards required by the tender contract you are planning to win. You speak to an old friend of yours who works in the seat-manufacturing industry and he decides to help you out. His company, "Sit-rite", is willing to sell you 100 seats for only R3000 – 00.
  - While you are out collecting the seats, your secretary phones you and tells you that your printer has broken. You need to be able to print itineraries for your passengers and must buy a new one. You stop in at "Walter's Compu-warehouse" where you buy a printer for R1449 – 00. you have enough food for the week that you will be away. You stop in at "Pick'n Pay" to buy the groceries that you will need. They cost you R897 –90 altogether.
  - It is the end of the month and your secretary needs to be paid her salary. You usually do an electronic payment into her account but this month she has asked for a cash cheque rather. You write a cheque out for her salary of R1500-00.

Calculate how much money you have left in the bank.

Reconcile your bank statement. A copy will be found in handout 1

## Activity 20 (SO1, AC3-4)

This is an individual activity

Explain the following in your own words:

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Cash flow

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Profit forecast

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Current assets

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Fixed assets

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Liabilities

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Why should your assets and liabilities be managed very carefully?

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Name the journals you will have to open


Explain the following financial statements that are used in a business:

Income Statement

Balance Sheet

Cash Flow Statement

### Activity 21 (SO2, AC1-6, SO3, AC1-4)

In which accounting book would you record cash purchases?

In which accounting book would you record cash sales?

In which accounting book do you record purchases made on credit?

Purchase Journal

In which accounting book do you record sales made on credit?

During the month you made the following cash purchases:

1. New seats for one of your buses from "Sit-rite", for R3000 – 00.
2. A printer from Walter's Compu-warehouse" for R1449
3. At Pick 'n Pay" to groceries for R897 –90

Record the above in the correct accounting books.

You also made the following cash sales:

1. From Polokwane an amount of R700.00 for transport for his two children for the next two months
2. You also sold 45 monthly tickets at R 198 for making a total of R8910.00 All these tickets were paid in cash.
3. You also sold 450 daily tickets at R10 each, making a total of R4500.00 All these tickets were paid in cash.

Record the above in the correct accounting books..

You purchased petrol to the value of R2500 from Winnie's Gas Station on credit. This will have to be paid by the 7th. Record the transaction in the correct accounting book.

The information must be recorded in the Purchases Journal, in the correct format

You sold 3 monthly tickets at R198 on credit to the following customers:

1. Robert Mokoena
2. Kathutshelo Nesengani
3. Abram Dhlamini

These amounts have to be paid by the 5<sup>th</sup>

Record the transaction in the correct accounting book.

Write down which files you have opened.


## Cash Book

**Folio CB:** \_\_\_\_\_ **Month:** \_\_\_\_\_ **Year:** \_\_\_\_\_ **Folio CB:** \_\_\_\_\_

## Receipts

## Payments

[illegible]

## Sales Journal

**Month:** \_\_\_\_\_ **Folio No:** SJ \_\_\_\_\_ **Year:** \_\_\_\_\_

[illegible]





[illegible]

## Wages and Salaries Book

**Week:** \_\_\_\_\_ **Month:** \_\_\_\_\_ **Folio No: WSB** \_\_\_\_\_ **Year:** \_\_\_\_\_

[illegible]

## Monthly Debtors' List

**Month:** \_\_\_\_\_ **Year:** \_\_\_\_\_

[illegible]

Monthly Creditors' List	
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**Month:** \_\_\_\_\_ **Year:** \_\_\_\_\_

[illegible]

## Fixed Asset Register

Folio No: FAR \_\_\_\_\_

Name of Asset	Code No/ Serial No	Date Acquired	Purchase price	Estimated Life Span	Monthly Depreciation Value	Estimated Replacement Date	Estimated Replacement Cost

Develop a cash flow statement for your business, using the format in the learner guide to help you

Explain the elements of your cash flow statement in your group.

Explain the elements of your income and expenses statement in your group

Did you include the payment terms of your liabilities?

Explain the payment procedures for your liabilities

What taxation requirements will your business have and how will you make sure that tax is paid on time?

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## Activity 22 (SO4, AC1-4)

### Bongani's Service Centre

The following information was extracted from the books for the year ended 31/03/06.

Expenses R 61 000

Sales R 96 000

Taxation is expected to be 32%

### Complete the Income Statement

#### Income Statement: Service

Name: Saul's Taxi Service

#### Income Statement for the Year ended

Sales	R
<b>Less:</b> Expenses	R _____
Net Profit before taxation	R
<b>Less:</b> Expected Taxation	R _____
Net Profit after taxation	R _____

In a group, use the following figures to prepare a Balance Sheet for Canyon Enterprises at 30 September 2002.

Creditors	R3 715	Debtors	R3 882
Shop Fixtures	R8 713	Bank Overdraft	R2 054
Nett Profit for Year	R9 628	Capital (30/9/02)	R18 346
Vehicle	R10 872	Petty Cash	R225
Stock	R4 824	Drawings	R5 227

**Balance sheet of Canyon Enterprises as at 30 September 2002**

Fixed Assets	Owner's Equity
Delivery vehicle	Balance
Shop Fixtures	<b>Add:</b> Nett Profit
	<b>Less:</b> Drawings
Current Assets	Current Liabilities:
Stock	Creditors
Debtors	Bank Overdraft
Petty Cash	



**In handout 3 you will find a set of these documents for you to use when you start your own business.**

- [illegible]

[illegible]

**Balance Sheet for:** \_\_\_\_\_

**DAY 1 - Balance brought forward:** \_\_\_\_\_

Income (Total):	<b>R</b>	Expenses (Total):	<b>R</b>
Cash sales	<b>R</b>	Fuel	<b>R</b>
Tickets	<b>R</b>	Tyres	<b>R</b>
Vouchers	<b>R</b>	Cleaning	<b>R</b>
Other	<b>R</b>	Service	<b>R</b>
		Oil	<b>R</b>
		Rent	<b>R</b>
		Other	<b>R</b>

**DAY 2 - Balance brought forward:** \_\_\_\_\_

Income (Total):	<b>R</b>	Expenses (Total):	<b>R</b>
Cash sales		Fuel	<b>R</b>
Tickets		Tyres	<b>R</b>
Vouchers		Cleaning	<b>R</b>
Other		Service	<b>R</b>
		Oil	<b>R</b>
		Rent	<b>R</b>
		Other	<b>R</b>

**DAY 3 - Balance brought forward:** \_\_\_\_\_

Income (Total):	<b>R</b>	Expenses (Total):	<b>R</b>
Cash sales		Fuel	<b>R</b>
Tickets		Tyres	<b>R</b>
Vouchers		Cleaning	<b>R</b>
Other		Service	<b>R</b>
		Oil	<b>R</b>
		Rent	<b>R</b>
		Other	<b>R</b>

**DAY 4 - Balance brought forward:** \_\_\_\_\_

Income (Total):	<b>R</b>	Expenses (Total):	<b>R</b>
Cash sales		Fuel	<b>R</b>
Tickets		Tyres	<b>R</b>
Vouchers		Cleaning	<b>R</b>
Other		Service	<b>R</b>
		Oil	<b>R</b>
		Rent	<b>R</b>
		Other	<b>R</b>

<b>DAY 5 - Balance brought forward: _____</b>			
Income (Total):	<b>R</b>	Expenses (Total):	<b>R</b>
Cash sales		Fuel	<b>R</b>
Tickets		Tyres	<b>R</b>
Vouchers		Cleaning	<b>R</b>
Other		Service	<b>R</b>
		Oil	<b>R</b>
		Rent	<b>R</b>
		Other	<b>R</b>

### Exercise: Consolidating the information from your week

- ✓ Write down your weekly revenue so that you know how your company is doing
- ✓ Use the tables below to fill in a summary of your daily revenue and expenses

**Table 1:**[illegible]

- ✓ List your expenses for the week in the right hand column and write in the totals for each day...
- ✓ Check that your total income – your total expenses = the balance you brought forward at the end of Day 7 in your daily balance sheet
- ✓ Remember to include your weekly wages as an expense

**Table 2:**[illegible]

