

Tutorial letter 102/3/2018

Financial Accounting Principles for Law Practitioners

FAC1503

Semesters 1 & 2

Department of Financial Accounting

<p>IMPORTANT INFORMATION</p> <p>This tutorial letter contains important information about this module.</p>

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INTRODUCTION

Dear student,

The study guide (TL501/3/2018) must serve as your starting point, in the study of this module. Firstly, you will have to work through the theory in the study guide. After obtaining a sound understanding of the theory, you can attempt to apply your knowledge so obtained by doing the examples/exercises in the study guide.

Tutorial letter 102/3/2018 provides additional questions and solutions on learning units 1 to 6 in the study guide, as preparation for the examination.

When answering a question, always read the **"REQUIRED" section first**, before reading through all the information. In this way, you will immediately which information is needed to answer the question or sections thereof. If you read the question in its entirety without knowing what is required, you will have to read all the information again and thereby waste precious time in this manner

The questions must be completed **without referring to the solutions** in Annexure B in this tutorial letter and **within the time allocated to each question**. After answering a question, immediately compare your answer with the suggested solution in Annexure B. This method will assist you to work fast and to identify and address your problem areas in your preparation for the examination.

Where your answer differs from the given solution, you should ask yourself the following questions: *what, where, when and how*, the error occurred. If this is not done, the whole exercise of completing and marking the examples/exercises is of NO VALUE.

If you have any registration or administrative queries related specifically to the College of Accounting Science (CAS), you can direct your queries to the Student information hub via the following e-mail address or telephone number:

- CASenquiries@unisa.ac.za
- (012) 429-4211

The **contact details of the various administrative departments** are also available in the **Studies @ Unisa brochure**, which you received with your tuition material. **This information is also available on the Unisa website at <http://www.unisa.ac.za>.**

Student support such as **online tutor groups, Face-to-face tutors, etc.** is provided as additional academic support regarding **enquiries about the content of this module**.

With kind regards,

Lecturers: Financial Accounting Principles for Law Practitioners (FAC1503)

Module telephone number: (012) 429-4192

E-mail address: FAC1503@unisa.ac.za

ANNEXURE A: Additional questions

QUESTION 1 (22 marks)(26 minutes)

The following transactions pertain to T and MC Attorneys and was entered into during August 2017:

- 1 The owner, Thom MCadrell, deposited R9 500 cash into the business bank account as additional capital.
- 7 Purchased stationery from Remko Traders on credit for R3 750.
- 9 Service fees charged to B Mayer for R5 850 cash, was correctly entered in the fees journal, but posted to the account of another client B Moyo. The error must be corrected.
- 12 Donate an old laptop with a market value of R1 625 to Child Welfare.
- 14 Charge interest at 12% per annum for three months on the overdue account of LA Credo, a client, who owes an amount of R2 300.
- 27 Receive a cheque from H du Toit for R3 375. During April 2016, his debt was written off as irrecoverable.
- 31 T and MC Attorneys paid their first instalment of R3 500 to Finvech Bank, for the business' motor vehicle purchased in July 2017.

REQUIRED:

Analyse the above transactions of T and MC Attorneys in tabular format as follows:

Date	Account to be debited	Account to be credited	Effect on the basic accounting equation		
			Assets =	Equity +	Liabilities
Example: 1 April The owner paid the telephone account by cheque - R1 200.					
1 April	Telephone expense	Bank	R – 1 200	R – 1 200	R

Ignore the implications of Value Added Tax (VAT).

Do not total the columns in respect of the accounting equation.

Each amount **must** be preceded by a plus sign (+) for an increase or a minus sign (–) for a decrease.

Show all calculations where applicable.

QUESTION 2 (21 marks)(25 minutes)

The following information relates to Brothers Attorneys that is not registered as a VAT vendor.

Transactions entered into by Brothers Attorneys during June 2017:

- 3 A client, J Armstrong paid R5 000 for services rendered.
- 4 The owner paid the business' water and electricity account for May 2017, with a business cheque for R1 540.
- 11 Received R15 500 in cash, for services rendered.
- 19 Brothers Attorneys electronically transferred a total of R5 230 from P Moodley's trust creditors account to the business bank account to settle his outstanding account.
- 23 Paid R22 800 in cash for salaries and wages.
- 29 Issue an invoice (debit note) to M Mogosi, a client, for R12 000 for services rendered.
- 31 A client, T Smit, owing the entity R13 500 since 12 June 2014, was declared insolvent. The amount must be written off as irrecoverable.

REQUIRED:

Analyse the above transactions of Brothers Attorneys in tabular format as follows:

Date	Account to be Debited	Account to be Credited	Effect on the basic accounting equation		
			Assets =	Equity +	Liabilities
Example:					
June 1 The owner deposited R50 000 into the business bank account as his capital contribution.					
1 June	Bank	Capital	R + 50 000	R + 50 000	R

Do not total the columns in respect of the accounting equation.

Each amount **must** be preceded by a plus sign (+) for an increase or a minus sign (–) for a decrease.

Show all calculations where applicable.

QUESTION 3 (20 marks)(24 minutes)

The bookkeeper of Owen Attorneys totaled the business cash receipts and business cash payments journals for March 2017 before he received the bank statement for March 2017. The totals of the cash journals were as follows:

Business cash receipts journal	R74 700
Business cash payments journal	R49 260

On comparing the bank statement with the cash receipts and cash payments journals the following were noted:

1. On 1 March 2017, the bank account in the general ledger showed a favourable balance of R1 877.
2. On 31 March 2017, the bank statement showed a favourable balance of R18 536.
3. The following appeared on the bank statement, but not in the cash journals:
 - service fee and internet banking fees - R442
 - a transfer of funds to SARS as payment for transfer duty on behalf of G Guru - R3 720
 - a debit order of R400 in favour of BA Insurance for Owen Attorneys insurance premium
4. The following cheques, which have not yet been presented to the bank for payment were issued by Owen Attorneys and appeared on the bank reconciliation statement of February 2017:
 - number 401, issued to D Duncan on 25 September 2016 - R1 683
 - number 407, issued to D Duncan on 28 September 2016 - R1 042
 - number 415, issued to R Chetty, a client, on 18 March 2017 - R1 571
 - number 480, issued to City of Vujani on 30 March 2017 for water and electricity - R2 700
 - number 491, issued to Telecomp on 31 March 2017 for communication services - R1 072

Cheque numbers 401 and 407 were issued to D Duncan, a client, during September 2016. The cheques are stale and must be cancelled.

5. A cheque for R3 020, drawn by another client of the bank, was erroneously entered on the bank statement of Owen Attorneys.
6. A deposit of R8 920, dated 31 March 2017, does not appear on the bank statement of Owen Attorneys.
7. B Bam, a client, made an electronic transfer of R5 170 as payment on his account. The bookkeeper incorrectly entered the amount as R5 517 in the cash receipts journal.

REQUIRED:

- (a) Complete only the bank columns of the cash receipts and cash payments journals of Owen Attorneys at 31 March 2017.
- (b) Prepare the bank account, properly balanced at 31 March 2017, in the general ledger of Owen Attorneys.
- (c) Prepare the bank reconciliation statement of Owen Attorneys as at 31 March 2017. Start with the balance as per bank statement.

Please note: Show all calculations

QUESTION 4 (18 marks)(22 minutes)

The following information for the month ended 30 November 2017 relates to Mahlaba Attorneys:

1. The credit balance of the bank account in the general ledger on 31 October 2017 amounts to R1 200.
2. Unfavourable balance as per bank statement at 30 November 2017 amounts to R152.
3. Totals in the cash journals at 30 November 2017 amount to:

	R
Cash payments journal	11 898
Cash receipts journal	12 987
4. Items appearing on the bank statement but not in the cash journals:
 - A deposit to the amount of R263, meant for Mahala Attorneys, was recorded in the bank statement of Mahlaba Attorneys in error.
 - Bank charges amounting to R53.
 - A cheque received from K Knight to the amount of R1 135, was returned by the bank marked "R/D", due to insufficient funds in his account.
 - Interest on bank overdraft amounting to R128.
 - A direct deposit to the amount of R450, made by A Atkinson for rent.
5. Items appearing in the cash journals but not on the bank statement:
 - Cheque no 610 to the amount of R675, issued on 30 November 2017, to pay for water and electricity.
 - A payment of R1 112 made on 30 November 2017 by a debtor L Lerato.
6. Cheque no 614 for R1 772, issued to C Campbell, a business creditor, was recorded as R2 771 in business cash payments journal. Correct the error.

REQUIRED:

- (a) Complete the business cash receipts and business cash payments journals (bank columns only) of Mahlaba Attorneys at 30 November 2017.
- (b) Prepare the bank account in the general ledger of Mahlaba Attorneys at 30 November 2017.
- (c) Prepare the bank reconciliation statement for Mahlaba Attorneys as at 30 November 2017.

Please note:

Show all calculations.

All accounts must be properly balanced at 30 November 2017.

Commence each account with the opening balances as given in the information above.

QUESTION 5 (18 marks)(22 minutes)

Anco Attorneys entered into the following transactions for January 2017:

1. Paid office rent for the month to the amount of R7 800.
3. Paid water and electricity account to the amount of R980.
5. Received R750 from N Edwards in respect of the registration of a bond.
9. Drew a cash cheque for R500, to restore the petty cash float.
11. Paid advocate Kenyenza R520 with a trust cheque to act as the defence counsel for S Smith in a forthcoming court case.
14. Paid the Sheriff R35 from the business bank account for the delivery of a summons to F Krantz.
17. Paid the net amount of R1 100, received from J Hodson, to the instructing attorney R Durby.
19. Purchased office supplies to the amount of R375 from Q Stationeries and pay by cheque.
21. Received R480 from R Malemone, a client, who requested Anco Attorney to act as her defence counsel in a forthcoming court case.
25. Issued a debit note of R430 to B Gani in respect of fees for drawing up her will.
27. A cheque for R750, received from N Edwards on 5 January 2017 in respect of the registration of a bond, was returned by the bank marked "R/D".
28. Debited fees of R570 in respect of P Mohajane's divorce case to his account.
30. Drew cash to pay wages to the amount of R1 350.
31. Paid R1 150 for the telephone account for the previous month.

REQUIRED:

Prepare the following subsidiary journals for Anco Attorneys to record the above transactions for January 2017:

- (a) Trust cash receipts journal.
- (b) Trust cash payments journal.
- (c) Business cash payments journal.
- (d) Fees journal.

Please note:

You may assume that all trust creditors have sufficient funds in their trust account to cover all payments from their trust account.

QUESTION 6 (20 marks)(34 minutes)

The following information for the month ended on 30 April 2017 relates to Marapo Attorneys:

TRIAL BALANCE OF MARAPO ATTORNEYS ON 31 MARCH 2017

	Debit	Credit
	R	R
Business bank	9 300	
Trust bank.....	10 900	
Trust creditors control:		
N Bongi		5 100
M Pillay		5 800
Clients control:		
G Matthews	2 000	
N Bongi	2 500	
M Pillay	2 100	
Capital		68 500
Equipment.....	40 000	
Law library	12 000	
Sheriff		400
Stationery on hand.....	1 000	
	79 800	79 800

Additional information

1. The following totals appeared in the **subsidiary journals** of Marapo Attorneys on 30 April 2017:

Trust cash receipts journal	R	Trust cash payments journal	R
Trust creditors	8 000	Trust creditors	7 200
S Gouws	5 000	N Bongi	5 700
N Bongi.....	3 000	M Pillay	1 500
Bank	8 000	Bank.....	7 200
Business cash payments journal		Fees journal	
Sundries.....	6 200	Clients control	4 900
Bank	6 200	N Bongi.....	2 900
		M Pillay	2 000
		Fees.....	4 900

2. Assume that the information in additional information 1 was **before** the bank reconciliation of the trust bank account was done. The only differences between the trust bank statement and the trust bank account in the accounting records of Marapo Attorneys were the following:
- An electronic funds transfer on 30 April 2017 of R1 500 on behalf of Mr S Gouws to the City Council for property taxes; and
 - The reversal by the bank of R4 000 paid into the trust bank account by Mr S Gouws due to insufficient funds in the private bank account of Mr S Gouws.

These two transactions must still be accounted for in the trust bank account of Marapo Attorneys.

QUESTION 6 (continued)**REQUIRED:**

											Marks																																																
<p>Open the following ledger accounts in the general ledger of Marapo Attorneys as at 30 April 2017 and post the subsidiary journals in additional information 1 above, to these ledger accounts.</p> <p>(i) Trust bank</p> <p>(ii) Business bank</p> <p>(iii) Clients control</p> <p>(iv) Trust creditors control</p> <p>(v) Fees</p> <p>Please note:</p> <p>All accounts must be properly balanced on 30 April 2017.</p> <p>Commence the general ledger accounts with the opening balances as given in the trail balance above.</p> <p>Prepare all the general ledger accounts in the format illustrated below:</p> <table border="1"> <thead> <tr> <th colspan="2">Dr</th><th colspan="8">Relevant account name (e.g. Trust bank)</th><th colspan="2">Cr</th></tr> </thead> <tbody> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table> <p>Please note:</p> <p>Show all calculations.</p>											Dr		Relevant account name (e.g. Trust bank)								Cr																																						
Dr		Relevant account name (e.g. Trust bank)								Cr																																																	

QUESTION 7 (19 marks)(23 minutes)

The following information relates to Panto Attorneys' practice for August 2017: The business is registered as a VAT vendor. VAT is **included** at 14% where applicable.

Transactions entered into by Panto Attorneys during August 2017:

1. Paid office rent for the month to the amount of R7 800.
3. Mr Wither's divorce case is complete. Charged fees to the amount of R9 250.
5. Received R7 500 in trust from N Edwards in respect of the registration of a bond.
9. Sold an old computer for R1 083 to a staff member, S Nthita. The amount will be received on 30 September 2017.
11. Paid advocate Knox R520 with a trust cheque to act as the defence counsel for S Smelani in a forthcoming court case.
14. Paid the Sheriff R1 050 for the delivery of a summons to F Krantz.
19. Paid entertainment costs of R2 560 with a business cheque. This was for a staff dinner in celebration of successful defence in the case of B Barco.
21. Charged five months interest on S Legobu's overdue account of R2 560. Interest is charged at 15% p.a.
25. Levy fees for services rendered to P Polare and receive the amount of R3 850 in cash.
27. A cheque issued for R750, on 15 July 2017 in respect of municipal levies, was returned by the bank marked "R/D" due to error in the details of the cheque.
28. Debited fees of R1 540 in respect of P Mohale's request to prepare a will to his account.
30. Paid staff salaries and wages to the amount of R11 350.
31. Received R6 450 in cash from B Zando in payment of an outstanding account.

REQUIRED:

Record the above transactions in the subsidiary journals of Panto Attorneys for August 2017.

Please note:

Show all calculations.

All amounts must be rounded off to 2 (two) decimal places after the comma, where applicable.
(e.g. 14,163 rounded to 14,16 or 14,167 rounded to 14,17)

QUESTION 8 (11 marks)(15 minutes)

The following information pertains to Tattum Attorneys' practice for September 2017:

Petty cash journal of Tattum Attorneys for September 2017**PCJ**

Date	Doc no.	Receipts	Fol	Total	Date	Doc no.	Payments	Fol	Total	Stationary	Fuel	VAT	Entertainment
1	534	Bank	BCPJ	500	2	A10	Fuel/Petrol		559		559	0	
30	515	Bank	BCPJ	1 500	11	A11	Milk & sugar		157				157
					20	A12	Tea & coffee		314				314
							Flip files & staplers		285	250		35	
				2 000					1 315	250	559	35	471
				B8					B8	N6	N1	B12	N3

- Totals of the cash payments journal for the month of September 2017 for the following items:
 - Stationery R1 250
 - Petrol R1 750
- Petty cash account had a balance of R1 500 at 31 August 2017.

REQUIRED:

- Prepare the following accounts, properly balanced, in the general ledger of Tattum Attorneys for September 2017:
 - Petty cash
 - Stationery
 - Fuel
 - Entertainment
 - VAT control account

ANNEXURE B: Suggested solutions to additional questions**QUESTION 1****T and MC Attorneys – August 2017**

Date	Account to be debited	Account to be credited	Effect on the basic accounting equation		
			Assets =	Equity +	Liabilities
			R	R	R
1	Business bank	Capital	+ 9 500	+ 9 500	
7	Stationery	Business creditors control / Remko Traders		– 3 750	+ 3 750
9	Client control / B Mayer	Client control / B Moyo	+ 5 850 – 5 850		
12	Donations	Computer equipment	– 1 625	– 1 625	
14	Client control / LA Credo	Interest income / received	① + 69	① + 69	
27	Business bank	Credit losses recovered	+ 3 375	+ 3 375	
31	Loan: Finvech Bank	Business bank	– 3 500		– 3 500

① $R2\,300 \times 12\% \times 3/12 = R69$

QUESTION 2**Brothers Attorneys – June 2017**

Date	Account to be debited	Account to be credited	Effect on the basic accounting equation		
			Assets	Equity	Liabilities
			R	R	R
3	Business bank	Service fees	+ 5 000	+ 5 000	
4	Water and electricity	Business bank	– 1 540	– 1 540	
11	Business bank	Services rendered / Fees	+ 15 500	+ 15 500	
19	Business bank Trust creditors control	Clients control Trust bank	+ 5 230 – 5 230 – 5 230		– 5 230
23	Salaries and wages	Business bank	– 22 800	– 22 800	
29	Client control	Services rendered / Fees	+ 12 000	– 12 000	
31	Credit losses	Client control / T Smit	– 13 500	– 13 500	

QUESTION 3

Owen Attorneys

(a) Cash receipts journal – March 2016

CRJ

		R
31	Subtotal	74 700
	D Duncan (cheque no. 401 cancelled)	1 683
	D Duncan (cheque no. 407 cancelled)	1 042
		<u>77 425</u>

Cash payments journal – March 2016

CPJ

		R
31	Subtotal	49 260
	Bank charges	442
	SARS	3 720
	Insurance	400
	B Bam / Trade receivables control (R5 517 – R5 170)	347
		<u>54 169</u>

(b) General ledger

Dr				Bank				Cr			
2016			R	2016			R				
Mar 1	Balance	b/d	1 877	Mar 31	Total payments	CPJ	54 169				
31	Total receipts	CRJ	77 425		Balance	c/d	25 133				
			<u>79 302</u>				<u>79 302</u>				
Apr 1	Balance	b/d	25 133								

(c) Bank reconciliation statement as at 31 March 2016

	Debit	Credit
	R	R
Credit balance per bank statement		18 536
Deposit not yet credited		8 920
Cheques not yet presented for payment:		
no 415 – dated 18/03/2016 (R Chetty)	1 571	
no 480 – dated 30/03/2016 (City of Vujani)	2 700	
no 491 – dated 31/03/2016 (Telecomp)	1 072	
Correction – Cheque not issued by Owen Attorneys		3 020
Debit balance per bank account	25 133	
	<u>30 476</u>	<u>30 476</u>

QUESTION 4**Mahlaba Attorneys Services****(d) Cash Receipts Journal – 30 November 2017****CRJ**

Details	Bank
	R
Sub-total	12 987
Trade receivables control (A Atkinson)	450
Trade payables control (C Campbell)	999
	14 436

Cash Payments Journal – 30 November 2017**CPJ**

Details	Bank
	R
Sub-total	11 898
Bank charges	53
Interest on overdraft	128
K Knight (R/D cheque)	1 135
	13 214

(b) General Ledger

Dr (+)		Bank		Cr (-)	
2017			R	2017	R
Nov 30	Cash receipts	CRJ	14 436	Nov 1	Balance
				30	Cash payments
					Balance
			14 436		b/d
					CPJ
					c/d
					22
					14 436
Dec 1	Balance	b/d	22		

(c) Bank reconciliation statement as at 30 November 2017

	Debit	Credit
	R	R
Debit balance per bank statement	152	
Deposit not yet credited		1 112
Cheques not yet presented for payment:		
no 610 – dated 30/11/16	675	
Debit erroneous deposit	263	
Debit balance as per bank account	22	
	1 112	1 112

QUESTION 5

Anco Attorneys

(a) Trust cash receipts journal – January 2017

TCRJ

Date	Details	Trust creditors	Bank
		R	R
5	N Edwards (trust creditor)	750	750
21	R Malemone (trust creditor)	480	480
		1 230	1 230

(b) Trust cash payments journal – January 2017

TCRJ

Date	Details	Trust creditors	Bank
		R	R
11	S Smith (trust creditor) (Advocate Kenyenza)	520	520
17	R Durby (trust creditor)	1 100	1 100
27	N Edwards (trust creditor) (R/D cheque)	750	750
		2 320	2 320

(c) Business cash payments journal – January 2017

BCRJ

Date	Details	Sundries	Bank
		R	R
1	Rent	7 800	7 800
3	Water and electricity	980	980
9	Cash (petty cash)	500	500
14	Sheriff	35	35
19	Q Stationeries	375	375
30	Wages	1 350	1 350
31	Telephone	1 150	1 150
		5 190	5 190

(d) Fees journal – January 2017

FJ

Date	Details	Clients control	Fees
		R	R
25	B Gani (drawing up will)	430	430
28	P Mohajane (divorce)	570	570
		1 000	1 000

QUESTION 6**Marapo Attorneys****(i)**

Dr			Trust bank			Cr
Date	Details	R	Date	Details	R	
2017			2017			
April 1	Balance b/d	10 900	Apr 30	Trust payments	① 12 700	
30	Trust receipts	8 000		Balance c/d	6 200	
		18 900			18 900	
May 1	Balance b/d	6 200				

① 7 200 [5 700 (Bongi) + 1 500 (Pillay) + 1 500 (Gouws) + 4 000 (Gouws)] = 12 700

(ii)

Dr			Business bank			Cr
Date	Details	R	Date	Details	R	
2017			2017			
Apr 1	Balance b/d	9 300	Apr 30	Payments	6 200	
		9 300		Balance c/d	3 100	
May 1	Balance b/d	3 100			9 300	

(iii)

Dr			Clients control			Cr
Date	Details	R	Date	Details	R	
2017			2017			
Apr 1	Balance b/d	② 6 600	Apr 30	Balance c/d	11 500	
30	Fees	4 900			11 500	
		11 500				
May 1	Balance b/d	11 500				

② 2 000 + 2 500 + 2 100 = 6 600

(iv)

Dr			Trust creditors control			Cr
Date	Details	R	Date	Details	R	
2017			2017			
Apr 30	Trust bank	12 700	Apr 1	Balance b/d	③ 10 900	
	Balance c/d	6 200	30	Trust bank	8 000	
		18 900			18 900	
			May 1	Balance b/d	6 200	

③ 5 100 + 5 800 = 10 900

(v)

Dr			Fees			Cr
Date	Details	R	Date	Details	R	
			2017			
			Apr 30	Sundry clients FJ	4 900	

QUESTION 7**Panto Attorneys****Fees journal – August 2017****FJ**

Date	Details	Client control	VAT	Fees
		R	R	R
3	Mr Wither (divorce)	9 250,00	1 135,96	8 114,04
25	P Polare - services rendered	3 850,00	472,81	3 377,19
28	P Mohale (preparation of will)	1 540,00	189,12	1 350,88
		14 640,00	1 797,89	12 842,11

Business cash receipts journal – August 2017**BCRJ**

Date	Details	Clients control	VAT	Bank
		R	R	R
1	P Polare	3 850,00	-	3 850,00
14	Municipal levies	657,89	92,11	750,00
19	B Zando	6 450,00	-	6 450,00
		10 957,89	92,11	11 050,00

Business cash payments journal – August 2017**BCPJ**

Date	Details	Sundries	VAT	Bank
		R	R	R
1	Rent	6 842,11	957,89	7 800,00
14	Sheriff	1 050,00	-	1 050,00
19	Entertainment	2 560,00	-	2 560,00
30	Salaries and wages	11 350,00		11 350,00
		21 802,11	957,89	22 760,00

General journal – August 2017**GJ**

Date	Details	Debit	Credit
		R	R
9	S Nthita (Trade receivables)	1 083,00	
	Computer		950,00
	VAT control (VAT Output)		133,00
	<i>Old computer sold on credit</i>		
21	S Legobu (Clients control)	160,00	
	Interest received		160,00
	<i>Charged interest on overdue account</i> (R2 560 X 15% X 5/12)		

Trust cash receipts journal – August 2017**TCRJ**

Date	Details	Trust creditors control	Bank
		R	R
5	N Edwards (trust creditor)	7 500	7 500
		7 500	7 500

QUESTION 7 (continued)**Trust cash payments journal – August 2017****TCPJ**

Date	Details	Trust creditors control	Bank
11	Advocate Knox (S Smelani)	R 520	R 520
		520	520

QUESTION 8**Tattum Attorneys**

Dr				Petty cash				Cr	
Date	Details	Fol	R	Date	Details	Fol	R		
2017 Sept 1	Balance	b/d	1 500	2017 Sept 30	Payments	PCJ	1 315		
30	Receipts	PCJ	1 815		Balance	c/d	2 000		
			3 315				3 315		
Oct 1	Balance	b/d	2 000						

Dr				Stationery				Cr	
Date	Details	Fol	R	Date	Details	Fol	R		
2017 Sept 30	Petty cash	PCJ	250						
	Bank	BCPJ	1 250						
			1 500						

Dr				Fuel				Cr	
Date	Details	Fol	R	Date	Details	Fol	R		
2017 Sept 30	Petty cash	PCJ	559						
	Bank	BCPJ	1 750						
			2 309						

Dr				Entertainment				Cr	
Date	Details	Fol	R	Date	Details	Fol	R		
2017 Sept 30	Petty cash	PCJ	471						

Dr				VAT control account				Cr	
Date	Details	Fol	R	Date	Details	Fol	R		
2017 Sept 30	Petty cash	PCJ	35						