

## YR 12 ACCOUNTING - WORKSHEET

Date: 29/04/2020

Week: 2

Worksheet No: 9

Strand no: 3 Strand: Financial Accounting and the Accounting Process

Sub Strand: - Source Documents

Objectives: Students should be able to revise on:

- Describe the nature and structure of a complete accounting cycle.
- Identify and interpret various types of source documents used in businesses.
- List the purpose of various business source documents

Notes

A. The nature and structure of a complete accounting cycle.

- Accounting cycle refers to the steps involved in processing accounting information from source documents to preparing and presenting of financial statements to assist in financial decision making



## **B. Types of Source Documents**

<b>Source Documents</b>	<b>Explanations</b>
<b>1. Cash Receipts</b>	This document is used as evidence that the money has been received by the business
<b>2. Cash Register Tape</b>	A cash register tape is used to record cash sales
<b>3. Cash Sale Docket</b>	This document is used to record the transactions relating to cash sales
<b>4. Petty Cash Voucher</b>	This document is used for making payments of small expenses
<b>5. EFTPOS</b>	EFTPOS stands for Electronic Funds Transfer At Point Of Sales. It is an electronic payment system used to make payments for goods and services using bank cards (debit cards) and credit cards
<b>6. Bank Statements</b>	A bank statement is a record given by the bank about the money received and paid by the business
<b>7. Purchase Requisition</b>	It is an internal request from a department within a business to the purchasing department to order goods
<b>8. Purchase Order</b>	Is a document issued by a buyer to a supplier requesting to supply the goods
<b>9. Delivery Docket</b>	A document sent by the seller to the buyer indicating that the goods are delivered
<b>10. Tax Invoice Issued</b>	Is used when good and services are sold on credit
<b>11. Tax Invoice Received</b>	Is used when good and services are bought on credit
<b>12. Credit Note Issued</b>	Is used when goods sold are returned to the business
<b>13. Credit Note Received</b>	Is used when goods bought by the business are returned to the supplier.
<b>14. Debit Note</b>	Is a commercial document issued by the business to a seller as a means of formally requesting to return the goods.
<b>15. Statement of Account</b>	Is a document summarising debtor's monthly credit sales, payments and returns
<b>16. Internal Memorandum</b>	This document is used for internal communication within a business. Internal memo is issued in circumstances when a bad debt is written off or when the owner withdraws goods from the business
<b>17. Cheque</b>	Is a written order directing a bank to pay money to the payee or bearer (person or business)

### **Activities**

**(14 marks)**

### **Instructions**

Students are required to answer the following questions on their own, by recalling what they have already learned in term 1.

### **Multiple Choice**

Circle the letter which represents the **best** answer.

**(4 marks)**

1. The source document for making entries in the sales returns and purchase returns journal is
  - A. debit note.
  - B. credit note.
  - C. tax invoice.
  - D. Cheque

2. Credit notes are issued in order to

- A. record a sale.
- B. record the delivery of goods.
- C. record the return of damaged goods.
- D. record the total number of creditors

3. John Enterprise buys goods on credit. Which source document will John Enterprise use to record this transaction?

- A. Tax invoice issued.
- B. Tax invoice received.
- C. Credit note issued.
- D. Credit note received

4. Which is the correct structure of an accounting cycle?

- A. Ledger - Journal – Source Document – Trial Balance – Financial Statements
- B. Journal – Ledger- Trial Balance – Financial Statements – Source Documents
- C. Source Documents – Ledger – Trial Balance – Journal – Financial Statements
- D. Source Documents – Journals – Ledger – Trial Balance – Financial Statements

**Matching**

**(10 marks)**

Match Source Documents in **Column A** with their correct descriptions in **Column B**.

<i>COLUMN A</i>	<i>COLUMN B</i>
<b>A.</b> Invoice Issued	<b>1.</b> formally requesting a business or a seller to return the goods.
<b>B.</b> Cash Receipt	<b>2.</b> Is a document issued by a buyer to a supplier requesting to supply the goods
<b>C.</b> Cheque	<b>3.</b> It is an electronic payment system used to make payments for goods and services using bank cards (debit cards) and credit cards
<b>D.</b> Debit Note	<b>4.</b> An internal request from a department within the business to the purchasing department to order goods
<b>E.</b> Invoice Received	<b>5.</b> A document sent by the seller to the buyer indicating that the goods are delivered
<b>F.</b> Purchase Order	<b>6.</b> Is used when goods bought by the business are returned to the supplier.
<b>G.</b> Delivery Docket	<b>7.</b> Issued to customers when they returned faulty goods
<b>H.</b> EFTPOS	<b>8.</b> a written order directing a bank to pay money to the payee or bearer
<b>I.</b> Purchase Requisition	<b>9.</b> Is used when good and services are bought on credit
<b>J.</b> Credit Note Received	<b>10.</b> evidence that the money has been received by the business

