

Term 3 Revision

Entrepreneurship

Suggested answers to revision questions

Learner's Book, page 144–145

1. Sole trader, ✓ partnership, ✓ close corporation, ✓ private company, ✓ public company ✓ (5)
2. Sole trader, ✓ no legal requirements, ✓ owner makes all decisions ✓ (Max. 3)
3. Public company, ✓ complex procedures to list business on a stock exchange ✓ to sell shares to raise capital. ✓ (3)
 - 4.1 Partnership (1)
 - 4.2 Public company (1)
 - 4.3 Private or public company, depending on how much capital is needed and how it will be raised. (1)

Financial literacy

Suggested answers to revision questions

1. Columns in a CPJ:

Document: ✓ the number of the cheque counterfoil, bank statement or printed EFT payment is entered. ✓✓

Day: ✓ the day of the month on which the entry is made. ✓✓

Details: ✓ the name of the person to whom the cheque or payment was made. ✓

The word cash if the cheque was a cash cheque. ✓✓

Folio: this column will only be used in Grade 9 ✓

Bank ✓ any money paid using a cheque or electronic funds transfer is entered immediately in the bank column. ✓✓ Even if the cheque has not been cashed the business regards the money as having been deducted from the bank account. ✓✓ Analysis columns. ✓ A business will decide which payments they make regularly and often during the month. ✓✓ These columns are used to reduce the number of entries made in the General Ledger ✓✓. Only the total of these columns are posted to the accounts in the General Ledger. ✓✓

Sundry column. ✓ The sundry column has three columns for amount, folio and details. ✓ any amount that is not entered in another analysis column is entered in the sundry accounts column. ✓✓ The name of the account in the general ledger is entered in the sundry accounts column. ✓✓ (14)

2. General Ledger of Moosa Appliances:

Balance Sheet Accounts Section ✓

Dr					Bank B1			Cr		
					2012 Jan	31	Sundry accounts	CPJ	56 000	
							✓	✓	✓	

Equipment N2

2012 Jan	31	Bank	CPJ	9 800						
		✓	✓	✓						

Nominal Accounts Section ✓

Telephone N1

2012 Jan	31	Bank	CPJ	5 600						
		✓	✓	✓						

Wages N2

2012 Jan	31	Bank	CPJ	35 000					
		✓	✓	✓					

Stationery N3

2012 Jan	31	Bank	CPJ	1 220					
		✓	✓	✓					

Interest Expense N4

2012 Jan	31	Bank	CPJ	430					
		✓	✓	✓					

Repairs to vehicles N5

2012 Jan	31	Bank	CPJ	1 450					
		✓	✓	✓					

Stationery N6

2012 Jan	31	Bank	CPJ	2 500					
		✓	✓	✓					

✓ if all dates are correct

3. Cash receipts R43 000–Cash payments R56 000 = R13 000 bank overdraft ✓✓ He has a bank overdraft as he has paid out more money than he received. ✓✓ This activity does not give the balance in his bank account at the beginning of the month. ✓✓ (6)

(27)