

TRANSFERRING THE AUXILIARY JOURNALS TO THE LEDGER*

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1 ECONOMIC AND MANAGEMENT SCIENCES

2 Grade 9

3 BUSINESS, CONSUMER AND FINANCIAL KNOWLEDGE AND SKILLS

4 Module 22

5 TRANSFERRING THE AUXILLIARY JOURNALS TO THE LEDGER

ACTIVITY 1:

To transfer the auxiliary journals to the ledger

[LO 3.3]

Once the entries in the auxiliary journals have been completed, all the information is transferred to the ledger.

The column totals of the CRJ are transferred on the last day of the month and the entries in the sundries column are transferred individually on the date of the entry.

Cash received by a service enterprise is transferred as follows to the CRJ:

1. Bank account – debit with the total cash received (Asset increases on the debit side).
2. Current Income account – credit with the total for the month (Ownership interest increases on the credit side).
3. Capital account – credit with the capital amount deposited (Ownership interest increases on the credit side).

The names of the other accounts involved appear in the “details” column of the ledger.

In the case of the bank account - capital and current income (total receipts)In the case of the capital account - bankIn the case of the current income account - bank

ASSIGNMENT 1: Transfer of the CRJ in a Service Enterprise

- **Use the completed CRJ of Mzondi Plumbers (Activity 3.1 Assignment 1) and transfer the CRJ to the ledger.** *(Supply your own ledger paper to complete the activity.)*

ASSIGNMENT 2: Transfer of the CRJ in a Commercial Enterprise

*Version 1.1: Aug 30, 2009 4:05 am -0500

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- Use the completed CRJ of Levubu Dealers (Activity 3.1 Assignment 2) and transfer the CRJ. (*Supply your own ledger paper to complete the activity.*)

- The same principles apply. The transfer is done as follows:

1. Bank account – debit with the total receipts for the month (Asset increases on the debit side.)
2. Capital account – credit with all capital deposited during the month (Ownership interest increases on the credit side.)
3. Sales account – credit with the sales for the month (Ownership interest increases on the credit side.)
4. Selling costs – debit with the amount for the month (Ownership interest decreases on the debit side.)
5. Trading inventory – credit with cost price of the sales amount (Asset decreases on the credit side.)

Bank account – Double entry is total receipts

Capital – Double entry is bank account Sales – Double entry is bank account

Selling costs – Double entry is trading inventory

ASSIGNMENT 3: transfer of the CPJ

- Use the completed journals of Levubu Dealers (Activity 3.1 Assignment 2) and transfer the CPJ. (*Supply your own ledger paper.*)

- The total of the bank column and all the other columns is transferred on the last day of the month. The entries in the sundries column are transferred as individual amounts to the specific account on the date of the entry.

- The transfer is done as follows:

1. Bank account – credit with the total payments for the month (Asset decreases on the credit side.)
2. Assets purchased for cash – debit every asset separately with the relevant amount (Assets increase on the debit side.)
3. Expenditure paid by cheque – debit each expenditure separately with the relevant amount (Ownership interest decreases on the debit side.)

Bank account – Double entry is total payments

Assets – Double entry is bank account Expenditure – Double entry is bank account

ASSIGNMENT 4: transfer of CRJ with cost price of sales

- Use the completed CRJ of Lubbe Dealers (Activity 3.1 Assignment 3) and transfer. (*Supply own ledger paper.*)

ASSIGNMENT 5: transfer of the debtors journal

- Use the complete DJ of Gesina Dealers (Activity 3.2 Assignment 1) and transfer it to the ledger.

- The total of the sales column, as well as the total of the selling costs column, is transferred to two accounts as follows:

sales column

1. Debtors control account – debit with the total of credits sales for the month (Asset increases on the debit side.)

2. Sales account – credit with the total of the credit sales for the month (Ownership interest increases on the credit side.)

The double entry for sales is debtors control and the double entry for debtors control is sales.

selling costs column

1. Selling costs account – debit with the total selling costs for the month (Ownership interest decreases on the debit side.)

2. Trading inventory account – credit with the total of the credit sales for the month (Asset decreases on the credit side.)

Double entry for selling costs is trading inventory and double entry for trading inventory is selling costs.

ASSIGNMENT 6: transfer of the creditors journal

- Use the completed CJ of Toledo Dealers (Activity 3.2 Assignment 2) and transfer it to the ledger.
- Column totals are transferred on the last day of the month. Entries in the sundries column are individually transferred to the specific account on the date of the entry.
- The transfer is done as follows:

1. Creditors control – credit with all the credit purchases for the month (Liability increases on the credit side.)

2. All assets purchased are debited separately with the amount of purchases (Asset increases on the debit side.)

3 All expenditure incurred on credit is debited with the specific amount (Ownership interest decreases on the debit side.)

The double entry for creditors control is sundry purchases. The double entry for every asset purchased or expenditure incurred on credit, is creditors control.

ASSIGNMENT 7: receipts from debtors: transfer of the DJ and CRJ

- Use the completed DJ and CRJ of Highway Dealers (Activity 3.3) and complete the transfer.
- When a debtor pays his account, it is recorded in the CRJ and then transferred to the ledger as follows:

1. Bank – debit with the cash received (Asset increases on the debit side.)

2. Debtors control – credit with the amount paid by debtors (Asset decreases on the credit side.)

The double entry in the case of bank is debtors control, and in the case of debtors control it is bank.

ASSIGNMENT 8: payments to creditors: transfer of the CJ and CPJ

- Use the completed CJ and CPJ of Marais Dealers (Activity 3.4 Assignment 1) and complete the transfer.
- When payments are made to creditors, they are recorded in the CPJ and then transferred to the ledger.
- This is done as follows:

1. Creditors control – debit with all payments to creditors for the month (Liability that decreases is debited.)

1. Bank – credit with cash payments (Asset that decreases is credited.)

ASSIGNMENT 9: Transfer of all the auxiliary journals - CRJ, CPJ, DJ and CJ

- Use the completed journals of Enslin Dealers (ctivity 3.4 Assignment 2) and transfer them.

6 Assessment

Learning Outcomes(LOs)
LO 3
MANAGERIAL, Consumer and Financial Knowledge and SkillsThe learner will be able to demonstrate knowledge and the ability to apply responsibly a range of managerial, consumer and financial skills.
Assessment Standards(ASs)
<i>We know this if the learner :</i>
3.1 completes a basic income statement and balance sheet for a service and retail business;
3.2 investigates the public relations, social responsibility and environmental responsibility strategies and actions of different businesses and organisations;
3.3 completes cash and credit transactions in the books of service and retail businesses;
3.4 uses keyboard skills and function keys in developing, storing, retrieving and editing business documentation;
3.5 analyses financial statements for decision-making at a basic level;
3.6 differentiates between the forms of credit purchases.

Table 1

7 Memorandum

ACTIVITY 1

ASSIGNMENT 1

General Ledger of Mzondi Plumbers

Balance Sheet Section											
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
	Capital							B1			
					Sept. 1	Bank	CRJ3.1.1	50 000	-		
	Bank							B2			
Sept. 30	Total receipts	CRJ3.1.1	56 286								
Nominal Accounts Section											
	Current Income							N1			
					Sept. 30	Bank	CRJ3.1.1	6 286	-		

Table 2

ACTIVITY 1

ASSIGNMENT 2

General Ledger of Levubu Dealers

Balance Sheet Section											
Date		Details	Fol	Amount		Date		Details	Fol	Amount	
Capital									B1		
						Jul.	1	Bank	CRJ3.1	2130 000	-
Trading Inventory									B2		
						Jul.	31	Cost price of sales	CRJ3.1	28 720	-
Bank									B3		
Jul.	31	Total re-ceipts	CRJ3.1	2140 900	-						
Nominal Accounts Section											
Sales									N1		
						Jul.	31	Bank	CRJ3.1	210 900	-
Selling Costs									N2		
Jul.	31	Trading In-ven-tory	CRJ3.1	28 720	-						

Table 3

ACTIVITY 1
 ASSIGNMENTS 3
 General Ledger of Levubu Dealers

Balance Sheet Section									
Date	Details	Fol	Amount		Date	Details	Fol	Amount	
Equipment							B1		
Jul.	6	Bank	CPJ3.1.2	6 000	-				
Vehicle							B2		
Jul.	15	Bank	CPJ3.1.2	23 300	-				
Trading Inventory							B3		
Jul.	31	Bank	CPJ3.1.2	14 500	-				
Bank							B4		
					Jul.	31	Total Payments	CPJ3.1.2	49 809 -
Nominal Accounts Section									
Stationery							N1		
Jul.	31	Bank	CPJ3.1.2	220	-				
Rental Expenditure							N2		
Jul.	2	Bank	CPJ3.1.2	1 400	-				
Trade Licence							N3		
Jul.	8	Bank	CPJ3.1.2	150	-				
Telephone							N4		
Jul.	18	Bank	CPJ3.1.2	125	-				
Salary							N5		
Jul.	26	Bank	CPJ3.1.2	2 650	-				
Fuel							N6		
Jul.	28	Bank	CPJ3.1.2	78	-				
Water and Electricity							N7		
Jul.	30	Bank	CPJ3.1.2	56	-				
Wages							N8		
Jul.	31	Bank	CPJ3.1.2	1 330	-				

Table 4

ACTIVITY 1
 ASSIGNMENT 4
 General Ledger of Lubbe Dealers

Balance Sheet Section										
Date		Details	Fol	Amount	Date			Details	Fol	Amount
Capital								B1		
					May	1	Bank	CRJ3.1	380 000	-
Trading Inventory								B2		
					May	31	Selling costs	CRJ3.1	32 220	-
Bank								B3		
May	31	Total Receipts	CRJ3.1	382 960	-					
Nominal Accounts Section										
Verkope								N1		
					May	31	Bank	CRJ3.1	32 960	-
Selling Costs								N2		
May	31	Trading Inventory	CRJ3.1	32 220	-					

Table 5

ACTIVITY 1
 ASSIGNMENT 5
 General Ledger of Gesina Dealers

Balance Sheet Section										
Date		Details	Fol	Amount	Date			Details	Fol	Amount
Trading Inventory								B1		
					Apr.	30	Selling costs	DJ3.2.1	1 641	-
Debtors Control								B2		
Apr.	30	Sales	DJ3.2.1	2 188	-					
Nominal Accounts Section										
<i>continued on next page</i>										

		Sales						N1			
						Apr.	30	Debtors con- trol	DJ3.2.1	2 188	-
		Cost Price of Sales						N2			
Apr.	30	Trading In- ven- tory	DJ3.2.1	1 641	-						

Table 6

ACTIVITY 1
 ASSIGNMENT 6
 General Ledger of Toledo Dealers

		Balance Sheet Section									
Date		Details	Fol	Amount		Date		Details	Fol	Amount	
		Equipment						B1			
May	1	Creditors Con- trol	CJ3.2.1	380	-						
		Trading Inventory						B2			
May	31	Creditors Con- trol	CJ3.2.1	2 783	-						
		Creditors Control						B3			
						May	31	Sundry Pur- chases	CJ3.2.1	4 958	-
		Nominal Accounts Section									
		Stationery						N1			
May	31	Creditors Con- trol	CJ3.2.1	405	-						
<i>continued on next page</i>											

		Packaging Material						N2		
May	31	Creditors	CJ3.2.1	605	-					
		Control								
		Repairs						N3		
May	12	Creditors	CJ3.2.1	500						
		Control								
		Advertisement						N4		
May	25	Creditors	CJ3.2.1	285	-					
		Control								

Table 7

ACTIVITY 1
 ASSIGNMENT 7
 General Ledger of Highway Dealers

		Balance Sheet Section								
Date		Details	Fol	Amount		Date		Details	Fol	Amount
		Trading Inventory						B1		
						May	31	Selling costs	DJ3.3.1	896 -
						Jun	30	Selling costs	DJ3.3.2	192 -
						Jun	30	Selling costs	CRJ3.3.19	280 -
		Debtors Control						B2		
May	31	Sales	DJ3.3.1	1 120	-	Jun.	30	Bank	CRJ13	760 -
Jun.	30	Sales	DJ3.3.2	240	-					
		Bank						B3		
Jun.	30	Total receipts	CRJ3.3	112 360	-					
<i>continued on next page</i>										

Nominal Accounts Section											
Sales									N1		
						May	31	Debtors control	DJ3.3.1	1 120	-
						Jun.	30	Debtors control	DJ3.3.2	240	-
						Jun.	30	Bank	CRJ3.3	111 600	-
Selling Costs									N2		
May	31	Trading In-ven-tory	DJ3.3.1	896	-						
Jun.	30	Trading In-ven-tory	DJ3.3.2	192	-						
	30	Trading In-ven-tory	CRJ3.3	19 280	-						

Table 8

ACTIVITY 1
 ASSIGNMENT 8
 General Ledger of Marais Dealers

Balance Sheet Section											
Date		Details	Fol	Amount		Date		Details	Fol	Amount	
Withdrawals									B1		
Apr.	15	Bank	CPJ3.4	1500	-						
Furniture and Equipment									B2		
Apr.	18	Bank	CPJ3.4	1400	-						
Vehicles									B3		
<i>continued on next page</i>											

Apr.	8	Creditors control	CJ3.4.2	7 500	-						
Trading Inventory									B4		
March	31	Creditors control	CJ3.4.1	2 340	-						
Apr.	30	Creditors control	CJ3.4.2	1 317	-						
Apr.	30	Bank	CPJ3.4	11 550	-						
Bank									B5		
						Apr.	30	Total Payments	CPJ3.4	17 823	-
Creditors Control									B6		
Apr.	30	Bank	CPJ14	3 568	-	March	31	Sundry purchases	CJ3.4.1	3 948	-
						Apr.	30	Sundry purchases	CJ3.4.2	9 427	-
Nominal Accounts Section											
Wages									N1		
Apr.	30	Bank	CPJ3.4	1210	-						
Advertisements									N2		
March	10	Creditors control	CJ3.4.1	258	-						
Apr.	20	Bank	CPJ3.4	1235	-						
Salary									N3		
Apr.	30	Bank	CPJ3.4	11 250	-						
Stationery									N4		
<i>continued on next page</i>											

March	31	Creditors	CJ3.4.1	345	-							
		con- trol										
Apr.	30	Creditors	CJ3.4.2	280	-							
		con- trol										
		Vehicle Expenses							N5			
March	31	Creditors	CJ3.4.1	380	-							
		con- trol										
Apr.	30	Creditors	CJ3.4.2	330	-							
		con- trol										
		Packaging Material							N6			
March	31	Creditors	CJ3.4.1	625	-							
		con- trol										
		Water and Electricity							N7			
Apr.	6	Bank	CPJ3.4	1110	-							

Table 9

ACTIVITY 1
 ASSIGNMENT 9
 General Ledger of Enslin Dealers

Balance Sheet Section											
Date	Details	Fol	Amount		Date	Details	Fol	Amount			
	Capital							B1			
					Nov.	1	Bank	CRJ3.4	120 000	-	
						10	Bank	CRJ3.4	110 000	-	
									30 000	-	
	Withdrawals							B2			
<i>continued on next page</i>											

Nov.	21	Bank	CPJ3.4	2100	-						
		Vehicles							B3		
Nov.	2	Bank	CPJ3.4	27 800	-						
		Equipment							B4		
Nov.	1	Creditors	CJ3.4.3	2 630	-						
	10	Bank	CPJ3.4	21 310	-						
	30	Bank	CPJ3.4	2700	-						
				4 640	-						
		Trading Inventory							B5		
Nov.	30	Bank	CPJ3.4	21 720	-	Nov.	30	Selling costs	DJ3.4.1	1 960	-
	30	Creditors	CJ3.4.3	5 950	-		30	Selling costs	CRJ3.4	13 000	-
							30	Balance b/f		2 710	-
				7 670	-					7 670	-
Dec.	1	Balance	c/f	2 710	-						
		Debtors Control							B6		
Nov.	30	Sales	DJ3.4.1	2 750	-						
		Bank							B7		
Nov.	30	Total Re-ceipts	CRJ3.4	133 750	-	Nov.	30	Total Pay-ments	CPJ3.4	212 405	-
							30	Balance b/f		21 345	-
				33 750	-					33 750	
Dec.	1	Balance	c/f	21 345	-						-
<i>continued on next page</i>											

		Creditors Control						B8			
						Nov.	30	Sundry Purchases	CJ3.4.3	11 253	-
		Nominal Accounts Section									
		Sales						N1			
						Nov.	30	Bank	CRJ3.4.	13 750	-
							30	Debtors control	DJ3.4.1	2 750	-
										6 500	
		Cost Price of Sales						N2			
Nov.	30	Trading inventory	CRJ3.4.	13 000	-						
	30	Trading inventory	DJ3.4.1	1 960	-						
				4 960	-						
		Wages						N3			
Nov.	30	Bank	CPJ3.4.	2300	-						

Table 10

		Stationery						N4		
Nov.	30	Bank	CPJ3.4.2	340	-					
	6	Creditors control	CJ3.4.3	312	-					
				652	-					
		Telephone						N5		
Nov.	15	Bank	CPJ3.4.2	135	-					
		Packaging Material						N6		
Nov.	30	Creditors control	CJ3.4.3	1 740	-					
		Repairs						N7		
Nov.	22	Creditors control	CJ3.4.3	621	-					

Table 11