Financial Accounting Principles for Law Practitioners

FAC1503

Department of Financial Accounting
Dear student

Kindly take note of the following errata in TL501/3/2018. Please make changes in your study material accordingly.

- **Page 20** – Bottom of page.
  
  **LIABILITIES & INCOME**
  
  - (decrease)  
  - (increase)
  
- **Page 25** – 2.2.2 The rule of cross-referencing – paragraph 1
  
  Consider the bank account in the proposed solution given in learning activity 2.2 once again:

- **Page 26** – paragraph 1
  
  A more complete version of the solution to learning activity 2.2, including the new rule of cross-referencing, is listed below:

- **Page 27** – Learning activity 2.3
  
  Paragraph 1 – Laduma Products opened its doors on 1 April.
  
  List of transactions – change the date of the last transaction to 30.

- **Pages 27 to 28** – Feedback: learning activity 2.3
  
  Change the date of the last entry in the Bank account and the Water and electricity account to 30.

- **Page 29 to 30** – Learning activity 2.4 and Feedback: learning activity 2.4
  
  Change the date of the last transaction to 30.

- **Page 31**

  Replace the following amounts, in feedback to learning activity 2.5, on the dates indicated in the table below.

<table>
<thead>
<tr>
<th>DAY</th>
<th>ASSETS = R</th>
<th>OWNERS EQUITY + R</th>
<th>LIABILITIES R</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>− 1 500</td>
<td>− 1 500</td>
<td>0</td>
</tr>
<tr>
<td>12</td>
<td>0</td>
<td>− 600</td>
<td>+ 600</td>
</tr>
</tbody>
</table>

- **Page 49** – The sentence before Business cash payments journal
  
  * Fees are first recorded in the fees journal where the Output VAT is recorded separately. (Refer to 4.5.4)

- **Page 50** – Example 4.2
  
  Transaction on 20 May 20.2 – change the amount to R1 100.
EXAMPLE 4.7

REQUIRED:

Prepare the general journal of S Nkosazana for March 20.1

Page 89

The amount of the balance brought down (b/d) on 1 March 20.1, on the debit side in the business bank account, must be R40 000 and not R140 000

Page 93

The sentence on the 31 in the fees journal, under details column, which reads Debit VAT control account in the general ledger, must read as follows: Credit VAT control account in the general ledger.

Page 94

The folio number on the 31st of the petty cash journal of T Truter must be BCPJ and not BCRJ.

Page 125

The name of the trust creditor, M Govender, in the trust creditors ledger must be G Nkosi.

Page 188

The collection amount in the account statement to H Hendriks & Co. must be R120 on the credit side in line (parallel) with Collection – L Letaba vs G Greer.

Page 190

The amounts on the credit side of the trust creditors control account must be replaced as follows:

R14 049 must be R61
R16 318 must be R198