

SS 1 THIRD TERM BOOK- KEEPING

SCHEME OF WORK

WEEK

- 1 Revision
2. **Petty cash book**
 - Meaning of petty cash book
 - ___ Classification of columns
 - ___posting of transaction
3. **Trial balance and correction of errors**
 - Meaning of trial balance
 - Functions of trial balance
 - Extraction of balance from ledger to trial balance
4. **Trial balance and correction of error**
 - Rules for posting balances from ledger to trial balance
 - ___preparation **of** trial balance
- 5 . **Trial balance and correction of errors**
 - Meaning of errors
 - Types of errors
 - Errors affecting Trial balance
 - Errors that do not affect trial balance
6. **Trial Balance and correction of errors**
 - Correction of errors through the use of suspense account
7. **Trading Account**
 - ___ Definition of trading account
 - ___ description of cost of goods sold

- ___determining gross profit
- 8. **Trading account**
 - ___preparation of a simple trading account
- 9. ___profit and loss Account
 - ___purpose of profit and loss account
 - ___ determining net sales and net profit
 - Rules for preparing profit and loss account
- 10 **balance sheet**
 - ___ explain balance sheet
 - ___ balance sheet content
 - ___ Users of balance sheet
 - ___preparation of simple balance sheet
- 11 revision
- 12 exam

PETTY CASH BOOK

MEANING:

IMPREST SYSTEM : This is a system for recording petty cash transactions, which are paid out of a cash float. The system is set up by giving a specified sum known as **cash float** to the cashier in order to cover petty expenses during the period.

PETTY CASH BOOK: This is the book of original or prime entry which is used for recording small disbursements or expenses e.g. postages, stationery, transport etc. it is part of the double entry **system. The source documents are invoices, receipts, and vouchers**

PROCEDURES OF PETTY CASH BOOK:

1. Amount of float from the main cash book

CR; CASH BOOK

DR : PETTY CASH BOOK

2. RULING OF PETTY CASH BOOK

Credit side is wider than debit side

Credit side :Analysis columns :Debit side : Receipt side

3. Payment for expenses

Credit Petty cash with **payment under related expenses (analysis column)**

4. Total of analysis columns: Analysis columns totaled are transferred to the debit of nominal Ledgers

5.Re-imburement of petty cash

The petty cash cashier will be re-imbursed at interval to bring the amount back to the formal amount

LAYOUT OF PETTY CASH BOOK

receipt #	f	date	details	v.no	total #	postage #	cleaning #	trans.exp #	med exp #	ledge #
700	cb	july1	bal b/d							
		" 2	cleaning		15		15			
		" 3	Bola		70					70
		" 5	postage		30	30				
		" 7	transport		40			40		
		" 8	cleaning		20		20			
		" 9	med expense		55				55	
		" 10	petrol		15			15		
					245	30	35	55	55	70
245	cb	" 31	cash balc/d		700					

<div style="border-bottom: 1px solid black; margin-bottom: 5px;">945</div> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">-</div> <div style="border-bottom: 1px solid black;">700</div>	<div style="border-bottom: 1px solid black; margin-bottom: 5px;">945</div> <div style="border-bottom: 1px solid black;">-</div>
Aug 1 bal b/d	

TRIAL BALANCE AND CORRECTION OF ERRORS

MEANING OF TRIAL BALANCE

Trial balance is a statement showing list of balances in a...