## **What is in this document**

This document contains details of the case study and petty cash activities that you will have to complete in this course. These activities provide an integral part of this course as they give you the opportunity to put into practice what you have learned.

You will find an Excel document to download in Module 2 for Petty Cash transactions. This file will contain any details that you need to complete the activities. This workbook is part complete. The completed sections are as per the video lessons. You must complete the workbook as per the activities when prompted in the course, using the sheets provided.

You will also find an Excel workbook to download in Module 3 for banking transactions. Again, it is important that you complete each activity as the output for each activity is needed for the next activity. This workbook is part complete. The completed sections are as per the video lessons. You must complete the workbook as per the activities, using the sheets provided.

At the end of the activities you will have a closed and reconciled Petty Cash daybook and a closed and reconciled Cash book.

You will find all of these activities within the course; however we would suggest that you have a read of them now, just so you know what is ahead of you.

## Contents

[**What is in this document** 1](#_Toc434008371)

[Contents 1](#_Toc434008372)

[**Case study** 2](#_Toc434008373)

[Raise Petty Cash Vouchers for the following 2](#_Toc434008374)

[Enter Transactions to the Petty Cash Daybook 2](#_Toc434008375)

[Close the Petty Cash Day Book 2](#_Toc434008376)

[Reconcile the Petty Cash 2](#_Toc434008377)

[Replenish the Petty Cash 2](#_Toc434008378)

## **Case study**

Jake owns Jakes Palace, a hotel in a hot tourist district. The hotel is in operation 5 years and Jake has good business relationships with suppliers and with clients. Many clients are corporate clients and they operate on a credit basis and the rest of the clientele makes payment when they are checking out.

Jake has hired you as the company bookkeeper and is relying on you to record the financial transactions of the business. It is a busy role that involves managing petty cash, ensuring proper records are kept and the cash is reconciled as per the company policy. In addition to petty cash, this role also involves bookkeeping for daily banking transactions, recording the transactions and ensuring that the bank is reconciled on a regular basis.

Jakes Palace Petty Cash Policy Extract.........

Petty Cash is replenished using the imprest system keeping afloat of 150

The Petty Cash daybook is to be closed every week

Petty Cash vouchers are to be raised for every petty cash transaction

All Petty cash vouchers are to be signed by the person in receipt of the cash

All Petty cash vouchers are to be authorised

A receipt must be provided for a petty cash expense

Loans to staff from petty cash cannot exceed 5 and must be repaid within 7 working days

Transaction limit for petty cash transactions is 50

## Raise Petty Cash Vouchers for the following

A screenshot of a cell phone

Description automatically generated

Using the petty cash voucher worksheet in the petty cash workbook, prepare petty cash vouchers for the above. You can copy and paste the vouchers already created. These are the ones I created in the video tutorial.

You will find the solutions in the petty cash solutions workbook.

## Enter Transactions to the Petty Cash Daybook

Entering transactions to the petty cash day book is a task every professional accountant or bookkeeper should be able to do with ease. Use this activity to practice what we have covered in the previous lesson, entering transactions to the petty cash day book.

In a previous activity, it was your responsibility to raise some petty cash vouchers. You now need to add these petty cash vouchers to the petty cash daybook. You will find this daybook in the petty cash excel file that you have been working from. It is important that you enter these transactions, both from a learning point of view and as they are required for the next activity.

## Close the Petty Cash Day Book

Now it is your turn to practice closing off the daybook and calculating the balance to be brought forward. You have already raised some Petty cash vouchers, and entered them to the petty cash day books. it is now time for you to close off the daybooks. If you are unsure, you can re-visit the previous lesson. Close of the daybooks and calculate a balance to carry down. Use the petty cash daybook that you entered the transactions to in the last activity.

## Reconcile the Petty Cash

Now that you have closed the petty cash daybooks, it is your role to ensure that the balances agree. For this activity, you now need to reconcile the petty cash for the second week of January. You will find a worksheet called CountSheet 2. This sheet contains the cash count sheet, and you need to ensure that this balance equates to the balance that you calculated to carry down in the previous activity.

## Replenish the Petty Cash

The final stage of the petty cash process is to replenish the petty cash to the required level. Using the details in the extracts of the petty cash policy and the reconciled petty cash balance, it is your responsibility to calculate the amount of cash required. You will find a worksheet Replenish cash and there is a red cell where you are to enter the value that you calculate. Don’t worry of you get the answer wrong as later in the course, you will get the opportunity to download the correct daybooks for all the activities so you can compare your own answers.