

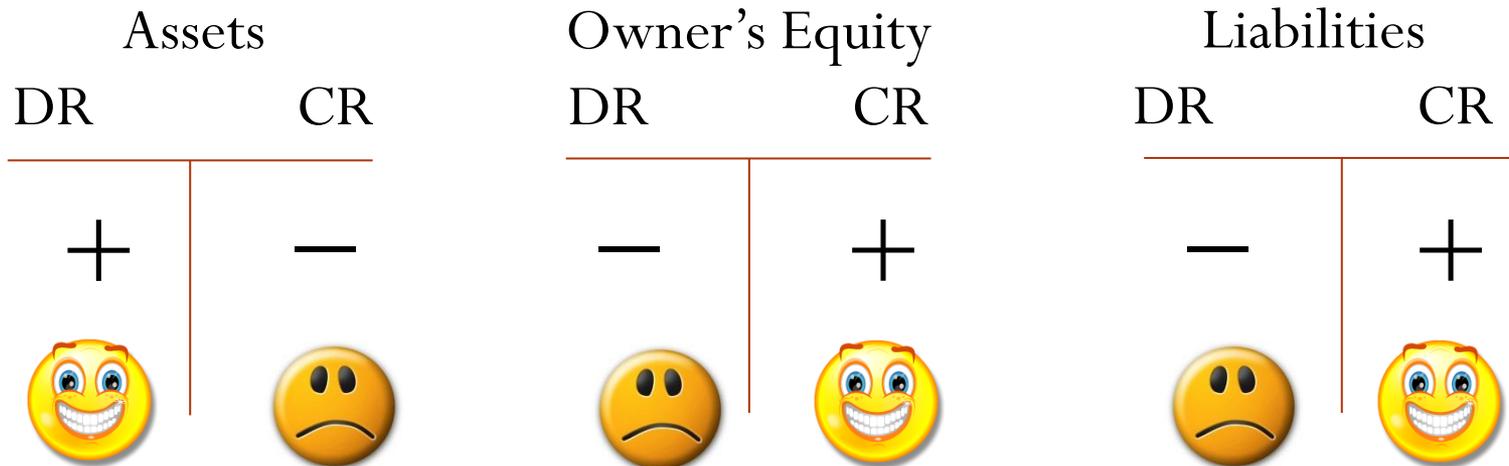


Accounting Equation



Accounting Equation

Also known as $A = OE + L$



Rules

- In every transaction there are always TWO accounts involved
- For every Debit you must have a Credit.

Example: Paid Wages R500

| (Asset) | |
|---------|--|
| Bank | |
| DR | CR |
| | -R500 |
| |  |

| (OE) | |
|--|----|
| Wages | |
| DR | CR |
| -R500 | |
|  | |

Cheat Tips

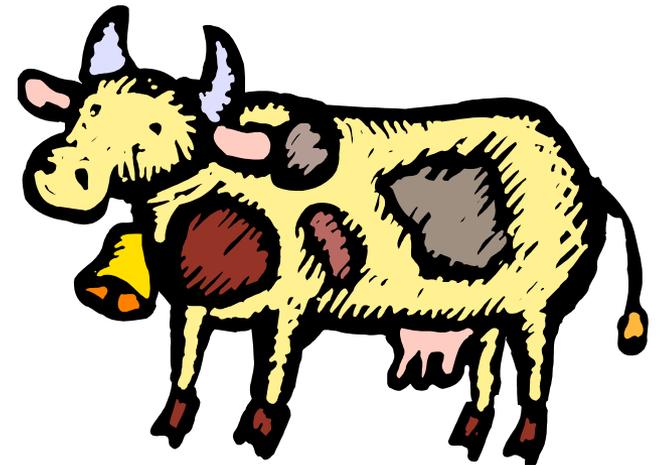


- Teach Grade 8's that BANK is always one account.
- Teach Grade 9's that if it is a **cash** transaction the one account will be BANK, or if it is a **credit** transaction then the account will be DEBTOR'S CONTROL.
- Learner to ask themselves: In this transaction will I be getting money or spending money!?!
- If getting money - bank account is getting bigger and since bank is an asset therefore it will be debited because that is the + side. The same applies for Debtors Control as it is also an asset.
- Since being able to determine the one account is debited the other account will thus be credited.
- Guaranteed Success!!!!



Tip – The Order of the General Ledger

- **Because** **Balance Sheet Section**
- Cows Capital
- Dance Drawings
- @ Fixed Assets and Current Assets
- Ladies Liabilities
- **Night** **Nominal Account Section**
- It's Incomes
- Expensive Expenses



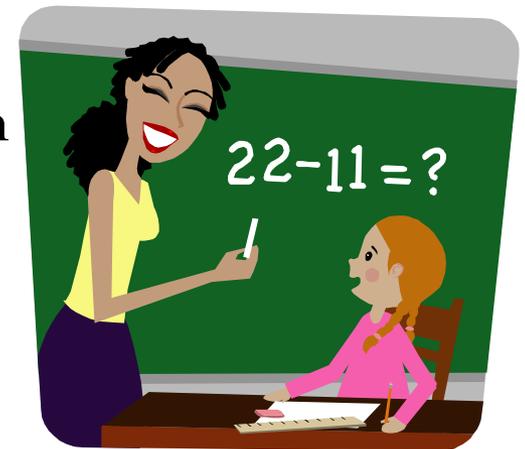
More useful Tips that work!

- Always demonstrate a transaction by drawing up T accounts.
- If a learner understands how to do the AOL, they will automatically be able to understand and do any given General Ledger Account.
- Draw a transaction on the blackboard e.g. Sales which has four T accounts and explain it in detail. Then erase only the figures and allow a learner to re-explain it to the class.
- Make a copy of the breakdown of the AOL and make a photostat and get the learner to display it in their home, e.g. On a mirror or behind the toilet door, anywhere where they will see it on a daily basis and memorise it!
- Teach your weaker child the “Cheat Method”.
- Encourage your learners to love Accounting!
- Always give the learner homework in class and facilitate and only have to complete it at home.



A Job or a Ministry as a Vocation.

- Do you have a job or ministry in your school and community?
- Or do you have a ministry? There is a difference.
- If you are doing it because no one else will, it's a job
- If you are doing it as a vocation then it's a ministry.
- If you are doing it just well enough to get by, it's a job.
- If you are doing it to the best of your ability, it's a ministry.
- If you are doing it only so long as it doesn't interfere with other activities, it's a job.
- If you are committed to staying with it even when it means letting go of other things, it is a ministry.



A Job or a Ministry as a Vocation.

- If you quit because no one praised you or thanked you, it was a job.
- If you stay with it even though no-one seems to notice, it's a ministry.
- It's hard to get excited about a job.
- It's almost impossible not to get excited about a ministry.
- If your concern is success, it's a job.
- If your concern is faithfulness, it is a ministry.
- People may say "well done" when you do your job.
- The Lord will say "Well Done" when you complete your Ministry.
- **Wamark Publications** commends **YOU** on your vocation and ministry and making a difference in a child's life each day!

