



3.1 The Petty Cash Ledger

It is your responsibility to keep the petty cash ledger up-to-date. Please record all **expenditures** daily on the computer **spreadsheet** and in the ledger. It is very important for us to keep a **hard copy** for our **archives**.

Note down the date and the amount in the correct **columns**. You will also need to write a **code**. You can find the correct code in the **index** at the back of the ledger. For example, the code for postage stamps is STP-1.

Please keep all **receipts** in the petty cash box and number them. Write the receipt number in the appropriate column as a **cross-reference** to the receipt.

Do not forget to make a note of any cash you receive.

At the end of the week, add up the week's expenditure. Start a new page at the beginning of every week.

Get ready!

1 Before you read the passage, talk about these questions.

- 1 What are some ways that people keep track of their money?
- 2 Why is it important for businesses to keep financial records?

Reading

2 Read this excerpt from a company manual. Then, choose the correct answers.

- 1 What is this excerpt about?
 - A why the company keeps a petty cash ledger
 - B how to complete a petty cash ledger
 - C the advantages and disadvantages of ledgers
 - D common mistakes when filling out ledgers
- 2 What does NOT need to be recorded in the ledger?

A the date	C spreadsheet figures
B a code	D the receipt number
- 3 When should employees record expenditures?

A every day	C monthly
B twice a week	D every Monday

Vocabulary

3 Check (✓) the sentence that uses the underlined parts correctly.

- 1 A You receive a receipt when you buy something.
 B You keep a hard copy on a computer.
- 2 A An expenditure is money a company receives from clients.
 B Offices keep old records in the archives.
- 3 A You can keep a record of numerical data on a spreadsheet.
 B Rows go down a page, and columns go across a page.

4 Fill in the blanks with the correct words from the word bank.

Word BANK

code cross-reference column
index ledger expenditures

- 1 Use the receipt number as a _____.
- 2 Always record any money spent in the _____.
- 3 The _____ for stationery is STT-2.
- 4 The _____ lists all the items and page numbers.
- 5 Which spreadsheet _____ is used for receipt numbers?
- 6 Limit _____ from petty cash to no more than \$20.00.

5 Listen and read the manual again. What details need to be recorded in the ledger?

Listening

6 Listen to a conversation between an assistant and the manager of an office. Mark the following statements as true (T) or false (F).

- 1 The assistant should put the receipt in the ledger.
- 2 The assistant can find the code in the index.
- 3 The manager prefers storing information on computers.

7 Listen again and complete the conversation.

Assistant: Can I take some money from the petty cash to buy stamps?

Manager: Yes, but you need to write it down in the 1 _____.

Assistant: How do I do that?

Manager: I'll show you. In this 2 _____, write today's date, and here, write the 3 _____.

Assistant: So just the date and purchase?

Manager: There's more. Don't forget the 4 _____. Number it and put it in the box. Then, write the number as a 5 _____ - _____.

Assistant: I get it.

Manager: Finally you need a code. You can look that up here, in the 6 _____.

Assistant: I see. So the 7 _____ for stamps is STP-1.

Manager: That's right.

Assistant: But why don't we just use a computer spreadsheet?

Manager: We feel that a hard copy is safer. After all, data on computers can get erased.

Speaking

8 With a partner, act out the roles below based on Task 7. Then, switch roles.

USE LANGUAGE SUCH AS:

- How do I do that?*
- In this column, write ...*
- Then, write the number as a ...*

Student A: You want to buy stamps with petty cash. Find out how to complete the petty cash ledger.

Student B: You are a manager. Explain to Student A how to fill out the cash ledger, including:

- the date
- the expenditure
- the code
- the receipt number

Writing

9 Use the conversation from Task 8 and your own ideas to fill out five entries in the ledger.

PETTY CASH LEDGER

Date	Expenditure	Receipt No.	Code