

Business Studies Gap fillers

Name: _____ Class: _____ Date _____

Flow of Source Documents

Rakesh owns a readymade garments shop. He needs stock and so he sends a (1) _____ to Vinod, his supplier. After receiving the order from Rakesh, Vinod delivers the required quantity of goods ordered. They send a (2) _____ with the materials. Rakesh signs the document, the delivery man gives original and retains a duplicate. The delivery man also gives an (3) _____ requesting for the payment of the goods delivered. When Rakesh checks the goods delivered, he finds some of the goods are defective. He returns the defective goods to the supplier. The supplier admits and issues a (4) _____.

Rakesh and Vinod have regular transactions on regular basis. Each month Vinod sends a statement of the value of deliveries made for that month, the value of any credit notes issued and any payment made by Rakesh. (5) _____ from Vinod reminds Rakesh how much he owes. The statement is also accompanied by a (6) _____.

Rakesh will indicate on this slip which invoices he is paying. Rakesh can pay through a (7) _____ or (8) _____. After receiving the payment Vinod issues a (9) _____ indicating the payment has been made.

cash cheque credit note delivery note Invoice purchase order receipt
Remittance advice slip Statement of Account

Key

Flow of Source Documents

Rakesh owns a readymade garments shop. He needs stock and so he sends a purchase order to Vinod, his supplier. After receiving the order from Rakesh, Vinod delivers the required quantity of goods ordered. They send a delivery note with the materials. Rakesh signs the document; the delivery man gives original and retains a duplicate. The delivery man also gives an Invoice requesting for the payment of the goods delivered. When Rakesh checks the goods delivered, he finds some of the goods are defective. He returns the defective goods to the supplier. The supplier admits and issues a credit note.

Rakesh and Vinod have regular transactions on regular basis. Each month Vinod sends a statement of the value of deliveries made for that month, the value of any credit notes issued and any payment made by Rakesh. Statement of Account from Vinod reminds Rakesh how much he owes. The statement is also accompanied by a Remittance advice slip.

Rakesh will indicate on this slip which invoices he is paying. Rakesh can pay through a cheque or cash. After receiving the payment Vinod issues a receipt indicating the payment has been made.