higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

APPLIED ACCOUNTING
NQF LEVEL 2

(3011002)

19 February 2025 (Y-paper)
13:00–16:00

Non-programmable calculators may be used.

This question paper consists of 18 pages and an answer book of 16 pages.

077Q1S2519

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
APPLIED ACCOUNTING
NQF LEVEL 2
TIME: 3 HOURS
MARKS: 200

INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions in the ANSWER BOOK provided.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. NO pages may be removed from the ANSWER BOOK.
5. Use the table below to guide you on the time to spend answering each question.
6. Show all calculations.
7. Use only a black or blue pen.
8. Write neatly and legibly.

QUESTIONS	TOPICS	MARKS	RECOMMENDED TIME GUIDE
SECTION A		**[80]**	
1	Multiple-choice questions	20	15 minutes
2	Short theoretical questions	30	20 minutes
3	Calculations	30	20 minutes
SECTION B		**[120]**	
4	Journals	40	50 minutes
5	Posting to general ledger	30	30 minutes
6	Final accounts and balance sheet	30	30 minutes
7	Influence on accounting equation	20	15 minutes
	TOTAL	**200**	**180 minutes**

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1–1.20) in the ANSWER BOOK.

1.1 When operating expenses are less than the gross income, a … is made.

A gross profit
B gross deficit
C net loss
D net profit

1.2 The difference between assets and liabilities is known as the …

A debts of a business.
B owner's equity.
C income of a business.
D cash flow.

1.3 A public company ends with … in its name.

A Ltd Pty
B Ltd
C CC
D Pty Ltd

1.4 A duplicate cash register roll is an example of a/an … source document.

A internal
B external
C subsidiary
D support

1.5 An original purchase invoice is an example of this type of document received by a business.

A Supporting
B Funding
C External
D Internal

1.6 The SPCA (Society for the Prevention of Cruelty to Animals) can be regarded as a … organisation.

A limited
B close corporation
C non-profit
D private

1.7 A … is an example of a long-term liability.

A stock item
B mortgage bond
C machine
D creditor

1.8 Interest on fixed deposit is a/an …… account.

A income
B asset
C expense
D liability

1.9 A/An … is regarded as a type of service business.

A shoe store
B fruit shop
C sweet producer
D attorney

1.10 If a mark-up of 40% on cost is added to the cost price of R65, the selling price will be ….

A R91.
B R65.
C R26.
D R39.

1.11 In South Africa, a … form of ownership, is no longer allowed to be registered as a new business.

A public company
B close corporation
C private company
D partnership

1.12 Which ONE of the following is an expense in a business?

A Fixed deposit
B Office chair
C Wages
D Interest on investment

1.13 A non-current asset is purchased for this purpose.

A Resale purposes
B The owner's use
C Use over a short period
D Use over a long period

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1.14 The …. account is debited when debtors pays their accounts.

A debtors control
B sales
C bank
D creditors control

1.15 When a business spends more money than what it has earned, a/an … is made.

A loss
B gain
C increase
D advance

1.16 Accounting is best explained as …

A reporting and revealing some transactions to auditors.
B sharing financial economic information with suppliers only.
C total net worth of a business.
D recording, analysing and reporting on transactions.

1.17 A/An … supports the cash book and indicates withdrawals and deposits made.

A bank statement
B expense statement
C managing statement
D income statement

1.18 In accounting, assets and liabilities are treated as follows:

A Assets decrease on the debit side, liabilities decrease on the credit side
B Assets increase on the debit side, liabilities increase on the credit side
C Assets and liabilities both increase on the debit side
D Assets and liabilities both decrease on the credit side

1.19 This will take place after the transactions have been recorded in source documents in the accounting cycle:

A Transactions are posted to the general ledger
B Trial balance is drawn up
C Transactions are entered into the journals
D Financial statements are drawn up

1.20 When items of a small value are purchased by the business, for example the purchase of milk, a/an … source document is used to record the transaction.

A electronic funds transfer (EFT)
B internal office memo
C petty cash voucher
D requisition

(20 × 1) **[20]**

QUESTION 2

2.1 Choose the correct term from those in brackets. Write only the answer next to the question number (2.1.1–2.1.4) in the ANSWER BOOK.

2.1.1 The total in the debtors' list must correspond to the total in the (debtors control account/credit invoices).

2.1.2 A business (essay/plan) will show how a prospective entrepreneur seeks capital to start a business.

2.1.3 Salaries and wages paid for the financial year will be (debited / credited) in the bank account.

2.1.4 The (receipt/journal voucher) is the document used to indicate interest charged on a debtor's overdue account.

(4 × 1) (4)

2.2 Explain the following terms:

2.2.1 Source document

2.2.2 Duplicate tax invoice

2.2.3 Debtor's allowances

2.2.4 Creditors ledger

(4 × 2) (8)

2.3 The following balances were extracted from the general ledger of Happy Feet Agencies. Answer the questions that follow in the ANSWER BOOK:

Bank favourable	R28 764	Delivery vehicle	R94 000
Debtors control	R52 500	Capital	R85 000
Office equipment	R33 815	Creditors control	R11 320
Mortgage bond	R82 353	Trading stock	R27 122

Show ALL calculations:

2.3.1 Calculate the value of the current assets. (3)

2.3.2 Calculate the value of the non-current assets. (3)

2.3.3 What effect will a profit have on the owner's equity? (1)

2.3.4 What effect will bad debts have on the owner's equity? (1)

2.3.5 If the owner of Happy Feet Agencies withdraws an amount of R3 250 for personal use, calculate the value of the owner's equity. (3)

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2.4 Alley Katz CC rent out an office to Candyland Ltd. The rent received each month is for an amount of R3 680. The cashier, P. Paleni, received the amount due for August 2024 on 16 August 2024 and receipt no. AK14 was issued to the client.



Use the information above to complete the receipt in the ANSWER BOOK. (7)
[30]

QUESTION 3

3.1 Use the accounting equation and the information provided in the table below to calculate the missing amounts. Show ALL calculations.

Assets	Liabilities	Owner's equity
R204 520	?	R101 245
?	R16 720	R28 920
R101 789	R35 684	?

(3 × 2) (6)

3.2 An early payment discount of 8% was received from a supplier, on an amount due of R976. Calculate the amount due after discount is given.

Show ALL calculations. Round off answers to 2 decimals (3)

3.3 Prepare the trial balance of Seed Pots as at 31 July 2024 using the information provided from the general ledger balances below.



Insurance	R6 015
Long term loan	R9 320
Bank overdraft	R3 650
Wages	R12 000
Capital	R21 500
Vehicles	R4 995
Trading stock	R11 460

(8)

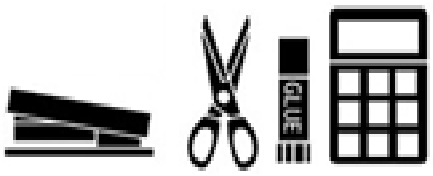
3.4 The current month is August 2024. Prepare the age analysis for a debtor, using the debtor's credit transactions provided below:

Sales in August 2024	Sales in July 2024	Sales in June 2024	Sales in May 2024	Sales in April 2024
R 1 220	R348	R410	R260	R0



(6)

3.5 A monthly statement was issued to a debtor, CJ Khumalo, by School Stuff Ltd. The statement is for the month ended 31 July 2024, as indicated below:



SCHOOL STUFF LTD
Tel: 021-123456789
Email: schoolstuff@mail.co.za
89 North Road, Small Business Zone, 2000

Statement date: 31 July 2024 **To: CJ Khumalo, 7 Main Street, Parks, 2000**

Date	Details		Amount (R)
01 July 2024	Opening balance		1 537,00
02 July 2024	EFT payment no. 54		450,00
08 July 2024	Invoice no. 432		255,00
31 July 2024	Credit note no. 76		132,00
60-90 days	**30-60 days**	**0-30 days**	**Closing Balance**
R525,00	R562	**3.5.2**	**3.5.1**

Show ALL calculations.

Calculate:

3.5.1 The closing balance at the end of 31 July 2024 (5)

3.5.2 The 0–30 days (current) amount due (2)
[30]

TOTAL SECTION A: 80

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SECTION B

QUESTION 4

Tiny Treasures is a business selling baby clothes, baby accessories and baby furniture to customers. The continuous stock system is used and the owner, M. Sesame, adds mark-up of 55% on the cost price of goods.

Use the source documents and information given below to enter the transactions in the subsidiary journals of Tiny Treasures for August 2024:

Round off amounts to the NEAREST rand. Do NOT close off the journals.

4.1	Cash receipts journal	(10)
4.2	Cash payments journal	(10)
4.3	Debtors journal	(4)
4.4	Debtors allowances journal	(2)
4.5	Creditors journal	(5)
4.6	Creditors allowances journal	(4)
4.7	General journal (NO narrations required)	(5)
		[40]

ORIGINAL CREDIT PURCHASES INVOICES:

ONLINE BABY CO.

ORIGINAL Purchase Invoice no. 569



Date: 11 August 2024
Account no. TT1003

To: Tiny Treasures **Address: 34 On Yellowstone, Willow Park, 4000**

Quantity	Description	Price	Amount
25	Baby washcloths	R25	R 625
15	Baby Feeding bottles	R49	R 735
2	Drawer units for toddlers	R999	R1 998
	TOTAL AMOUNT OF INVOICE		R3 358

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My Baby Cart

ORIGINAL Purchase Invoice no. T54
Date: 20 August 2024
Account no. BC78

To: TINY TREASURES
Address: 34 On Yellowstone, Willow Park, 4000

Qty	Details	Price	Amount total
12	Short-sleeve starter set 6–12 months	R259	R3 108
5	Baby fleece blankets	R120	R 600
		TOTAL:	R3 708

Thank you.

CaR BaZaaR

ORIGINAL PURCHASE INVOICE NO. 66
Date: 27 August 2024
Account no. CZ81

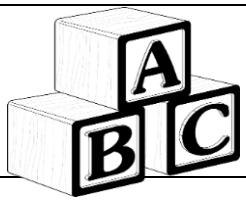


To: Tiny Treasures
Address: 34 On Yellowstone, Willow Park, 4000

Qty	Details	Price	Amount
1	Delivery van (Make: WV)	R189 000	R189 000
1	Vehicle trailer	R 26 850	R 26 850
		GRAND TOTAL:	R215 850

Thank you for your support.

JOURNAL VOUCHER:



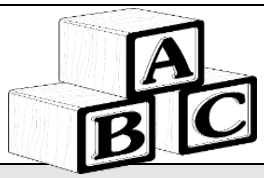
TINY TREASURES
JOURNAL VOUCHER No: JJV76
Date: 10 August 2024

Interest was charged on the overdue account of MR Katz for an amount of R145.

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DUPLICATE RECEIPTS:

Tiny Treasures



Receipt no: 93

Duplicate

Date: 8 August 2024

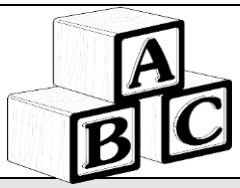
Received from: M Sesame

Payment for: Additional capital contribution

The amount of: Seventy-two thousand rand only

Thank you. R72 000

Tiny Treasures



Receipt no: 94

Duplicate

Date: 16 August 2024

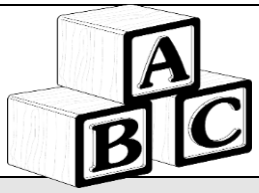
Received from: PR Golden

Payment for: Settlement of account of R2 760. Discount given -10%.

The amount of: ?

Thank you. R ?

Tiny Treasures



Receipt no: 95

Duplicate

Date: 25 August 2024

Received from: Sunshine Bank

Payment for: Loan applied for and received from the bank.

The amount of: Thirty-five thousand rand only

Thank you. R35 000

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DEPOSITS:

SUNSHINE BANK
Duplicate Deposit Slip 62

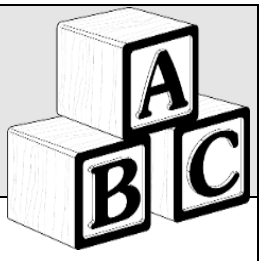
Date: 8 August 2024			
Account holder: Tiny Treasures		Rand	Cents
	Total cash	8 494	00
Depositor's signature PC JACKY	Cheques – Drawer:		
	1. M Sesame	72 000	00
Account number:	2.		
4 3 6 7 8 2 3 0 1			
	TOTAL AMOUNT :	80 494	00

SUNSHINE BANK
Duplicate Deposit Slip 63

Date: 25 August 2024			
Account holder: Tiny Treasures		Rand	Cents
	Total cash	15 128	00
Depositor's signature PC JACKY	Cheques – Drawer:		
	1. Sunshine Bank	35 000	00
Account number:	2. PR Golden	**?**	
4 3 6 7 8 2 3 0 1			
	TOTAL AMOUNT :	**?**	

CASH REGISTER ROLLS:

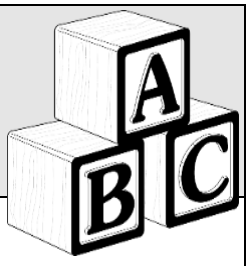
CRR 143



DATE: 3-8-2024

R 8 494

CRR 144



DATE: 24-8-2024

R 15 128

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DUPLICATE CREDIT SALES INVOICES:

TINY TREASURES

DUPLICATE TAX INVOICE NO: TT45

Date: 9 August 2024

Account no. T25

To: B. Getty
Address: 89 Olive Street, Arcadia, 0001

Qty	Details	Price	Amount
15	Toddler Bags	R558	R8 370
		TOTAL AMOUNT	R8 370

TINY TREASURES

DUPLICATE TAX INVOICE NO: TT46

Date: 20 August 2024

Account no. T67

To: U. Jegels
Address: 23B Jacks Avenue, Fields, 4000

Qty	Details	Price	Amount
10	Baby bottles 200ml	R62	R 620
5	Baby grower packs (blue)	R496	R2 480
1	Baby car seat	R961	R 961
		TOTAL AMOUNT	R4 061

DUPLICATE CREDIT NOTES:

TINY TREASURES

CREDIT NOTE NO: CN21

Date: 22 August 2024

Account no. T67

To: U. Jegels
Address: 23B Jacks Avenue, Fields, 4000

Qty	Details	Price	Amount
2	Baby grower packs (red)	R496	R992
	TOTAL AMOUNT		R992
	REASON: Red packs received instead of blue.		

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DEBIT NOTES:

Date	Debit note details	Creditor	Amount	Reason for return
13-8-24	DN 39	Online Baby Co.	R999	Drawer unit incorrect size
28-8-24	DN 40	Car Bazaar	R26 850	Incorrect trailer brand received

CHEQUE COUNTERFOILS:

Date: 6-8-2024		
To: Funland Ltd		
For: Baby accessories merchandise		
	R	c
Amount	6 327	00
NO: 192		

Date: 12-8-2024		
To: Mobile. Connect		
For: Telephone		
	R	c
Amount	2 145	00
NO: 193		

Date: 20-8-2024		
To: Bambino CC		
For: Payment on account – 5% discount for early payment given.		
	R	c
Amount	5 035	00
NO: 194		

Date: 23-8-2024		
To: Cash		
For: M. Sesame's lunch – R 500 Wages – R1 000		
	R	c
Amount	**?**	
NO: 195		

Date: 29-8-2024		
To: Book Nook CC		
For: Pens, Pencils and notebooks for office use.		
	R	c
Amount	485	00
NO: 196		

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QUESTION 5

Little Explorers Traders supplied the following information from their journals on 31 July 2024.

The following balances appeared in the books of Little Explorers Traders on 1 July 2024:

Bank (Dr)	R7 000
Debtors control	R8 250
Stationery	R1 870
Rent Income	R1 100

REQUIRED: Post the totals from the journals to the following General Ledger accounts:

5.1 Bank (Balance off) (6)

5.2 Debtors control (Balance off) (8)

5.3 Sales (2)

5.4 Cost of sales (3)

5.5 Stationery (4)

5.6 Rent income (2)

INFORMATION: Totals of journals on 31 July 2024:

CREDITORS JOURNAL	**CJ**
Creditors control	R14 391
Trading stock	R9 120
Equipment	R1 940
Stationery	R2 345
Sundry accounts	R986

CREDITORS ALLOWANCES JOURNAL	**CAJ**
Creditors control	R3 338
Trading stock	R2 842
Stationery	R310
Sundry accounts	R186

DEBTORS JOURNAL	**DJ**
Debtors control	R21 654
Sales	R21 654
Cost of sales	R14 934

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DEBTORS ALLOWANCES JOURNAL	DAJ
Debtors control	R3 890
Debtors allowances	R3 890
Cost of sales	R2 683

CASH RECEIPTS JOURNAL	CRJ
Bank	R24 270
Sales	R12 275
Cost of sales	R8 465
Debtors control	R5 645
Discount allowed	R420
Rent income	R3 560
Sundry accounts	R3 210

CASH PAYMENTS JOURNAL	CPJ
Bank	R29 605
Trading stock	R18 560
Creditors control	R4 320
Stationery	R3 230
Sundry accounts	R3 495

GENERAL JOURNAL	GJ	
	Debits	Credits
Debtors control	R175	
Creditors control		R152

5.7 The following transactions took place with Mini Marvel CC, a creditor, for the month of July 2024. Mini Marvel CC's opening balance from Little Explorers Traders Creditors ledger is given below:

MINI MARVEL CC		C10
DATE	DETAILS	RAND
01/7/2024	Balance	R7 862

Transactions:

- Little Explorers Traders paid R3 923 to Mini Marvel CC on 9 July 2024.
- Faulty goods valued at R830 were returned back to Mini Marvel CC on 17 July 2024.

REQUIRED: Show ALL calculations:

5.7.1 Calculate the amount owed to Mini Marvel CC on 30 July 2024. (4)

5.7.2 Which source document was received by Little Explorer for the transaction on the 17th of July 2024? (1)

[30]

QUESTION 6

The following balances appeared in the Trial balance of Toys Are Fun for the year ended 30 June 2024.

REQUIRED: Prepare the following:

6.1 The profit and loss account for the year ended 30 June 2024.

NOTE: The gross profit for the year ended 30 June 2024 is R220 255, as the trading account has already been closed off. (11)

6.2 The balance sheet as at 30 June 2024. (15)

6.3 The note to the balance sheet for Capital. (4)

Trial Balance of Toys Are Fun as at 30 June 2024			
ACCOUNTS	**FOL.**	**DEBIT**	**CREDIT**
Capital (1 July 2023)	B1		430 000
Drawings	B2	5 910	
Land and buildings	B3	350 000	
Equipment	B4	25 800	
Debtors control	B5	21 360	
Trading stock	B6	35 700	
Bank			7 500
Petty cash	B7	57 430	
Cash float	B8	2 550	
Fixed deposit: Local Bank (6,5%)	B9	100 000	
Creditors control	B10		13 960
Sales	N1		325 870
Cost of sales	N2	101 940	
Debtors allowances	N3	3 675	
Water and electricity	N4	5 790	
Salaries	N5	64 750	
Petrol	N6	5 985	
Marketing	N7	2 980	
Interest on fixed deposit	N8		6 500
Discount allowed	N9	1 560	
Rent received	N10		2 450
Bank charges	N11	850	
		786 280	**786 280**

[30]

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QUESTION 7

Wonder Kidz CC sell children's shoes. They use the continuous stock system and mark up their stock by 40% on the cost price.

Show the effect of the following transactions on the accounting equation AND the source document used. Indicate an increase with (+) and a decrease with (-) and no effect with (0).

EXAMPLE:

1. Repairs were done on the delivery vehicle. Payment was made to Mech Dealers via EFT no. 658, for R1 356.

No.	Source document	General ledger		Assets	Owner's equity	Liabilities
		Account debited	Account credited			
1.	EFT proof of payment	Repairs	Bank	-R1 356	-R1 356	0

7.1 The owner of Wonder Kidz CC asked the accounts clerk to send an electronic funds transfer (EFT), for an amount of R4 788, to the owner's personal bank account for private use. (5)

7.2 An amount of R5 300 was received by direct deposit from a customer, whose account had previously been written off as a bad debt. (5)

7.3 A credit note no. JK67 was issued to a credit customer, P.J. Simba, for goods returned because they were an incorrect size, for an amount of R980. (5)

7.4



JOLLY JACKS ORIGINAL

PURCHASE INVOICE NO: 223

Date: 30 June 2024
Account no. JJ39

To: Wonder Kidz CC
Address: 45 Rainbow Road, Fields, 6000

Quantity	Details	Price	Amount
50	Soft leather slip-ons (Inventory)	R420	R21 000
		TOTAL AMOUNT	R21 000

(5)
[20]

TOTAL SECTION B: 120
GRAND TOTAL: 200

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