higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

APPLIED ACCOUNTING
NQF LEVEL 2

(3011002)

28 November 2024 (Y-paper)
13:00–16:00

Non-programmable calculators may be used.

This question paper consists of 18 pages and an answer book of 13 pages.

547Q1N2428

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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 questions 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 how much time to spend answering each question.
6. Show all calculations.
7. Use only a black or blue pen
8. Write neatly and legibly.

QUESTION	TOPIC	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 A shop selling clothing and shoes is known as a/an … business.

A manufacturing
B service
C trade
D nonprofit

1.2 A source document is best known as a record …

A of assets and liabilities in a business.
B of debtor and creditor transactions.
C that indicates all bank payment transactions.
D supporting a transaction having taken place.

1.3 An example of financial assets in a business:

A Fixed deposits
B Long-term loans
C Mortgage bonds
D Sales

1.4 A … is a source document used to record cash received for sales of stock.

A tax purchase invoice
B deposit slip
C cheque counterfoil
D cash register roll

1.5 When the expenses of a business are less than its income, a/an … is made.

A loss
B profit
C deficit
D error

1.6 A duplicate receipt is an example of a/an … document.

A external
B primary
C internal
D original

1.7 The sales general ledger account increases with a … entry.

A debit
B creditors allowance
C credit
D debtors allowance

1.8 A company's … will receive dividends from the declared profits of a business.

A wholesalers
B colleagues
C suppliers
D shareholders

1.9 A … is an example of a supporting document for petty cash transactions in a business.

A till slip
B bank statement
C journal voucher
D debit note

1.10 Under normal circumstances, the … general ledger account has a debit balance.

A sales
B drawings
C capital
D rent income

1.11 When a credit customer pays his account, …

A credit creditors control and debit bank.
B debit bank and credit debtors control.
C debit creditors control and credit bank.
D debit debtors control and credit bank.

1.12 The --- accounts are part of the balance sheet account section in the trial balance.

A assets and liabilities
B assets and incomes
C incomes and expenses
D liabilities and expenses

1.13 Which ONE of the following does not form part of the accounting cycle?

A Financial statements
B Financial staff
C Source documents
D Subsidiary journals

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1.14 The creditors control account in the general ledger will … when stock is returned to a supplier.

A decrease
B remain the same
C increase
D be credited

1.15 When trading stock is taken by the owner for own use, …

A credit trading stock and debit drawings.
B credit drawings and debit bank.
C debit drawings and credit bank.
D debit trading stock and credit drawings.

1.16 Stationery purchased on credit is recorded in the … journal.

A petty cash
B cash receipts
C creditors
D cash payments

1.17 Interest on a long-term loan will decrease …

A current liability.
B noncurrent asset.
C noncurrent liability.
D owner's equity.

1.18 The effect on the accounting equation for interest on investments received:

A Assets decrease and owner's equity increases.
B Assets increase and owner's equity increases.
C Owner's equity increases and liabilities increase.
D Owner's equity decreases and liabilities decrease.

1.19 The total of a creditors list should equal the total of the creditors …

A column in the cash payments journal.
B column in the creditors journal.
C column in the creditors allowances journal.
D control account in the general ledger.

1.20 Which ONE of the following accounts normally have a credit balance?

A Fixed deposit
B Assets
C Expenses
D Income

(20 × 1) **[20]**

QUESTION 2

2.1 Explain each of the following terms:

2.1.1 Journal voucher

2.1.2 Accounting

2.1.3 Bad debts

(3 × 2) (6)

2.2 Choose ONE term from the list below for each of the following descriptions and write it next to the question number (2.2.1–2.2.4) in the ANSWER BOOK.

sole trader; 2 to 20; Pty Ltd; Ltd; partnership; 1 to 50; close corporation

2.2.1 A partnership has between … people as owners.

2.2.2 A … has a minimum of one person as an owner.

2.2.3 The owners of a … are known as members.

2.2.4 The business name of a private company ends with …

(4 × 1) (4)

2.3 Calculate each of the following if the profit mark-up on an item is 60% on cost and the cost price is R2 325:

2.3.1 Profit mark-up amount

2.3.2 Selling price amount

(2 × 2) (4)

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2.4 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–H) next to the question number (2.4.1–2.4.6) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.4.1	Document returned by the bank to the business due to insufficient funds	A	statement
2.4.2	Document issued when goods are bought or sold on credit.	B	trial balance
2.4.3	Credit purchases of trading stock entered in this journal	C	nominal
2.4.4	Issued at month end to a debtor, indicating the total amount owed	D	dishonoured cheque
2.4.5	Proves that the total debit balances equal the total credit balances	E	invoice
2.4.6	Salaries and wages placed in this section in the trial balance	F	debtors journal
		G	creditors journal
		H	income statement

(6 × 1) (6)

2.5 Study the following source document and answer the question that follow:

OFF THE GRID

Credit note no.: 21
Date: 18 August 2024

To: BJ Benn
Address: 67A Sunny Street
Heights
2001

Qty.	Details of purchases	Price (each)	Amount
2.5.4	Batteries 12 volt	R2 100	R4 200
30	Re-chargeable lantern	R199	R5 970
15	Light bulbs	R99	**2.5.5**
		GRAND TOTAL:	**2.5.6**

2.5.1 Identify the name of the customer. (1)

2.5.2 Identify the name of the business that issued the source document. (1)

2.5.3 Name the journal that the source document will be entered into in the books of the business issuing the source document. (1)

2.5.4 Calculate the quantity of 12-volt batteries returned. (2)

2.5.5 Calculate the amount for the returned light bulbs. (2)

2.5.6 Calculate the source document grand total amount. (3)

[30]

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QUESTION 3

3.1 The outstanding balance on a debtor's account is R3 687. The account is overdue by six months.

Calculate the interest charged on the debt at 9% per annum and round off to TWO decimals. Show all calculations. (3)

3.2 Products were sold for an amount of R2 142 to a debtor. An early payment discount of 4% was given to the debtor.

Calculate the amount the debtor paid after discount. Show all calculations. Round off the answer to TWO decimals. (3)

3.3 Wind Farms Corp. purchased stock on credit for R6 675 on 21 April 2024. Unsuitable stock for an amount of R1 625 was returned to the supplier on 27 April 2024. Wind Farms Corp. decided to settle their account on 30 April 2024 and was granted a settlement discount of 5%.

Calculate the amount that Wind Farms Corp. paid to settle and reconcile their account on 30 April 2024. Show all calculations. Round off answer to TWO decimals (4)

3.4 Use the information below to prepare an age analysis for a creditor, Torches CC. Note that the present month is July 2024.

Credit purchases made during each month are as follows:

March 2024	R873
April 2024	R542
May 2024	R665
June 2024	R908
July 2024	R240

NOTE: Credit purchases made during March 2024 were paid in full and this must still be taken into account. (6)

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3.5 The debtors ledger account of Eco Energy in the books of Wind Farm Corp. is shown below.

Complete the missing entries or amounts by writing only the answer next to the question number (3.5.1–3.5.8) in the ANSWER BOOK. Show all calculations where necessary.

DEBTORS LEDGER OF WIND FARM CORP.					
ECO ENERGY DL4					
Date	**Details**	**Fol.**	**Debit**	**Credit**	**Balance**
01-08-24	Opening balance	b/d			R4 785
08-08-24	Invoice no. E41	**3.5.1**	289		**3.5.2**
18-08-24	Receipt no. 82	**3.5.3**		2 550	**3.5.4**
18-08-24	Receipt no. 82 (discount)	CRJ		310	**3.5.5**
31-08-24	Interest charged	**3.5.6**	87		R2 301
31-08-24	Credit note no. 12	**3.5.7**		124	**3.5.8**

(12)

3.6 Use the following information to calculate the missing amount (show the calculation):

ASSETS	OWNER'S EQUITY	LIABILITIES
R149 600	R113 705	**?**

(2)
[30]

TOTAL SECTION A: 80

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SECTION B

QUESTION 4

Eco Power Zone is a business that sells generators, inverters, solar panels and rechargeable lights to their customers.

The owner, Tumi Makopi, uses the continuous stock system. Mark-up is 45% on cost price.

The information and source documents provided below must be used to enter the transactions in the subsidiary journals for 31 May 2024 in the ANSWER BOOK provided.

Do not close off the subsidiary journals. No narrations are required for the general journal. Round off amounts to TWO decimals.

4.1	Cash receipts journal	(11)
4.2	Cash payments journal	(8)
4.3	Debtors journal	(4)
4.4	Debtors allowances journal	(2)
4.5	Creditors journal	(6)
4.6	Creditors allowances journal	(5)
4.7	General journal	(4)

CHEQUE COUNTERFOILS:

		01/05/2024
To: Jozi Municipality		
For: Water and electricity		
	R	C
This Cheque	5 460	00
No. 458		

		9/05/2024
To: Solar Wave CC		
For: Account of R6 325 was settled Discount – R550		
	R	C
This Cheque	**?**	
No. 459		

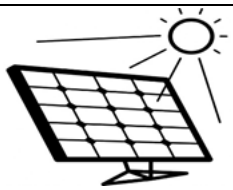
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18/05/2024		
To: Target Marketing		
For: Advertising		
	R	C
This Cheque	2 970	00
No. 460		

22/05/2024		
To: Cash		
For: Cash float – R2 000 Petty cash – R1 350		
	R	C
This Cheque	3 350	00
No. 461		

30/05/2024		
To: Energy Savers		
For: Inventory		
	R	C
This Cheque	9 420	00
No. 462		

JOURNAL VOUCHER:



ECO POWER ZONE

Journal Voucher No. 84

Date: 26/05/2024

To: Accounts Executive From: Tumi Makopi

In the creditors ledger, the account of Energy Hub Ltd was incorrectly credited with R4 230 instead of Energy Saver Ltd. Correct this error.

DEPOSIT SLIPS:

Date	**Amount**
13 May 2024	R90 345
30 May 2024	R11 546

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ORIGINAL CREDIT PURCHASE INVOICES:

ENVIRO FLARE CC

Date: 13/5/2024 Invoice no. XY 45

Account No. EPZ21

To: Eco Power Zone Address: 24 Windy Street, Green Point, 5201

Quantity	Description	Price per unit	Amount
5	Off-grid inverters	R2 710	R13 550
20	Portable rechargeable lights	R 650	R13 000
5	Hybrid solar panels	R1 863	R 9 315
		TOTAL	**R35 865**

PAPER PATCH

Date: 17-5-2024 **Invoice no. EPZ 4**

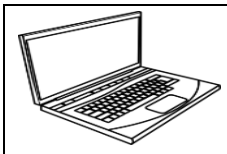


Account no. PP71

To: ECO POWER ZONE
Address: 24 WINDY STREET, GREENPOINT, 5201

Quantity	Description	Price (each)	Amount
25	Blue pens	R 15,00	R375
2 boxes	A4 notepads	R 99,00	R198
		GRAND TOTAL	**R573**

PC SHOP LTD



Account no. 1010 Date: 26 May 2024 Invoice no. TG 98

To: ECO POWER ZONE

Address: 24 WINDY STREET GREENPOINT 5201

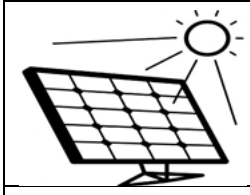
Quantity	Description	Price (each)	Amount
4	Acecore i3 laptops *(office use)*	R 5 999	R23 996
4	Laser/scanner printers *(office use)*	R 1 599	R 6 396
		TOTAL INVOICE AMOUNT	**R30 392**

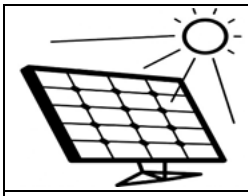
CASH REGISTER ROLLS:

Date	Number	Amount
13 May 2024	Cash Register Roll 121	R 5 345
30 May 2024	Cash Register Roll 122	R 8 474

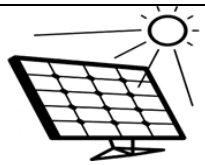
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DUPLICATE RECEIPTS:

 **ECO POWER ZONE** **Receipt no. 97** Date: 02-05-2024	Rand	cents
Received from: Tumi Makopi **For**: Capital – Additional contribution **Amount**: Eighty five thousand rand only	85 000	00
Thank you – **JFK Kenny**		

 **ECO POWER ZONE** **Receipt no. 98** Date: 22-05-2024	Rand	cents
Received from: B Botha **For**: Account settlement – 4% discount was granted **Amount**: Three thousand and seventy two rand only	3 072	00
Thank you – **JFK Kenny**		

DUPLICATE CREDIT SALES INVOICES:



ECO POWER ZONE
24 WINDY STREET, GREENPOINT, 5201

Invoice no. EP78
Date: 9 May 2024

To: RJ Moosa Address: 56A Green Road, Sundowns, 6000

Quantity	Description	Unit price	Amount
4	Rechargeable globes 9 W	R99	R396
2	Lithium-iron inverter battery	R4 999	R9 998
1	Power inverter	R2 990	R2 990
		Total invoice	**R 13 384**

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ECO POWER ZONE
24 WINDY STREET, GREENPOINT, 5201

Invoice no. EP79
Date: 18 May 2024

To: PJ Powers Address: 11 Battery Close, Baybeach, 4000

Qty.	Description	Unit price	Amount
1	Portable power station	R9 499	R9 499
1	Four-stroke generator	R11 100	R11 100
		Total invoice	R20 599

ORIGINAL DEBIT NOTES:

Date	Note no.	Details	Quantity	Creditor	Amount	Reason
18/5/24	DN 53	A4 notepads	1 box	Paper Patch	R99	Incorrect size notebooks
27/5/24	DN 54	Laser/scanner printer	1	PC Shop Ltd	R1 599	Incorrect colour

DUPLICATE CREDIT NOTE:

Date	Note no.	Details	Debtor	Amount	Reason
20/5/24	CN 28	Lithium-iron inverter battery	RJ Moosa	R4 999	Incorrect brand

[40]

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QUESTION 5

On 1 July 2024 the following opening balances appeared in the books of Rechargebat Ltd:

Trading stock	R 26 975
Creditors control	R 15 670
Bank (favourable)	R 52 310
Cost of sales	R 9 320

The following totals appeared in the subsidiary journals of Rechargebat Ltd on 31 July 2024:

DEBTORS JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 DJ

Doc.	Day	Debtor	Sales	Cost of sales
		Totals	33 235	22 156

DEBTORS ALLOWANCES JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 DAJ

Doc.	Day	Debtor	Debtors allowances	Cost of sales
		Totals	5 405	3 603

CASH RECEIPTS JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 CRJ

Bank	Sales	Cost of sales	Debtors control	Discount allowed	Sundry amount	Details
51 535	39 625	26 417	10 370	2 130	3 670	Rent income

CASH PAYMENTS JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 CPJ

Bank	Trading stock	Fuel	Creditors control	Discount received	Sundry amount	Details
26 883	15 628	2 645	9 350	1 970	1 230	Telephone

CREDITORS JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 CJ

Doc.	Day	Creditors	Creditors control	Trading stock	Equipment	Sundry amount	Details
		Totals	18 650	15 110	1 240	2 300	Fuel

CREDITORS ALLOWANCES JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 CAJ

Doc.	Day	Creditor	Creditors control	Trading stock	Equipment	Sundry amount	Details
		Totals	3 080	2 860	220		

GENERAL JOURNAL OF RECHARGEBAT LTD – 31 JULY 2024 GJ

Date	Details	Fol.	Debit	Credit	Debtors control		Creditors control	
					Debit	Credit	Debit	Credit
	Totals				1 230	810	440	630

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Use the given information to complete each of the following general ledger accounts for Rechargebat Ltd for the month ended 31 July 2024. Balance off only the general ledger accounts indicated.

5.1	Bank (balance off)	(6)
5.2	Trading stock	(7)
5.3	Creditors control (balance off)	(9)
5.4	Cost of sales	(4)
5.5	Fuel	(2)
5.6	Rent income	(2)
		[30]

QUESTION 6

The following information appeared in the Trial balance of Green Box Solar on 31 July 2024, the financial year end.

Trial balance of Green Box Solar- 31 July 2024			
Balance sheet section	**Fol.**	**Dr/Cr**	**Amount (R)**
Capital (1 August 2023)	B1	CR	325 000
Drawings	B2	DR	5 970
Machinery	B3	DR	175 640
Vehicles	B4	DR	240 750
Trading stock	B5	DR	81 500
Debtors control	B6	DR	21 490
Bank overdraft	B7	CR	43 200
Cash float	B8	DR	2 500
Creditors control	B9	CR	18 640
Loan: Spark Bank (9%)	B10	CR	160 000
Nominal accounts section			
Sales	N1	CR	415 130
Cost of sales	N2	DR	263 110
Debtors allowance	N3	DR	8 130
Interest on loan	N4	DR	10 800
Water and electricity	N5	DR	12 900
Cellphone expenses	N6	DR	7 100
Insurance	N7	DR	12 000
Commission received	N8	CR	4 100
Salaries and wages	N9	DR	150 900
Bad debts	N11	DR	3 880
Rental income	N12	CR	30 600

Use the information above to prepare each of the following for the year ended 31 July 2024:

6.1 The Trading account for the year ending 31 July 2024 (4)

6.2 The Profit and Loss account for the year ending 31 July 2024 (10)

6.3 The Capital account for the year ending 31 July 2024. Do the closing transfers that affect the account and balance off. (4)

6.4 The balance sheet for the year ending 31 July 2024 (Notes to the balance sheet are not required). (12)

[30]

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QUESTION 7

Power-Up CC sells cellphone covers, chargers and batteries. The continuous stock system is used and the stock mark-up is 30% on the cost price.

Analyse each of the following transactions by indicating the source document, account to be debited and account to be credited in the general ledger as well as the influence on the accounting equation. Indicate an increase with (+), a decrease with (-) and no effect with (0). Round off amounts to the nearest rand.

EXAMPLE: Insurance was paid via EFT no. 234 to Way-To-Go Ltd for an amount of R567.

No.	Source document	General ledger a/c		Assets	Owner's equity	Liabilities
		Account debited	Account credited			
1.	EFT proof of payment	Insurance	Bank	-567	-567	0

TRANSACTIONS:

7.1 CJ Devan came in and paid an outstanding amount of R947 on his account. (5)

7.2 A motorbike was purchased on credit from Auto Man Ltd for an amount of R46 500. (5)

7.3 Cash sales for an amount of R7 098 were recorded for covers, chargers and batteries sold. (9)

7.4 The owner's personal stationery account of R345 was paid via the business bank account, EFT no. 57. (1)

[20]

TOTAL SECTION B: 120
GRAND TOTAL: 200

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