higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

APPLIED ACCOUNTING

(Second paper)
NQF LEVEL 4

(3011004)

29 November 2024 (X-paper)
09:00–12:00

REQUIREMENTS: **One BOE 8/15 file paper for candidate to insert printouts and answer sheets.**

Non-programmable calculators may be used.

This question paper consists of 20 pages, 1 addendum and a 2-page answer book.

559Q2S2429

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
APPLIED ACCOUNTING
NQF LEVEL 4
(Second paper)
TIME: 3 HOURS
MARKS: 200

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Answer SECTION A in the 2-page ANSWER BOOK provided. Write your EXAMINATION NUMBER and CENTRE NUMBER in the spaces provided, hand in with the printouts of SECTION B and SECTION C.
5. Use appropriate accounting software for SECTION B and SECTION C.
6. Use a separate set of books for SECTION B and SECTION C.
7. Use the table below as a guide on how much time to spend on answering each question.
8. Use only a black or blue pen.
9. Write neatly and legibly.

QUESTIONS	TOPIC	MARKS	RECOMMENDED TIME GUIDE
SECTION A			
1	Short theoretical questions	20	20 minutes
SECTION B			
2	Practical on accounting software	120	1 hour 40 minutes
SECTION C			
3	Practical on accounting software	60	1 hour
	TOTAL	**200**	**3 hours**

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SECTION A

QUESTION 1

1.1 Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–G) next to the question number (1.1.1–1.1.4) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.1.1	Document received when second-hand furniture is purchased from a vendor.	A	age analysis
		B	tax invoice
1.1.2	Document used for the return of inventory by customers	C	debit note
		D	standard VAT
1.1.3	Prepared by a business to keep track of customers' outstanding debts according to the different periods	E	supplier invoice
		F	remittance
1.1.4	Document generated by a vendor when inventory is sold on credit.	G	credit note

(4 × 1) (4)

1.2 Choose the correct term from those in brackets. Write only the answer next to the question number (1.2.1–1.2.3) in the ANSWER BOOK.

1.2.1 The income statement reflects the financial (position/performance) of a business for a specific period of time.

1.2.2 Discount received on early payment terms to a supplier is subjected to (0%/15%) VAT.

1.2.3 The bank reconciliation process compares the transactions in the cash book to the (proof of payments received/bank statement).

(3 × 1) (3)

1.3 Various possible options are provided as answers to the following questions. Choose the correct answer and write only the letter (A–D) next to the question number (1.3.1–1.3.3) in the ANSWER BOOK

1.3.1 Which of the following is not considered an advantage of accounting software?

A Upgrading of computers
B Processing large amounts of data
C Exporting information to other software applications
D Scanners and bar codes can be used as input methods

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1.3.2 Depreciation of a vehicle is subject to … .

A Standard VAT
B Zero-rated VAT
C Capital VAT
D Capital VAT and Exempt supply

1.3.3 When recording credit purchases of inventory, if the price of an inventory item on the original invoice is different to that on the accounting system, which amount should be recorded?

A The amount on the return and debit note
B The amount on the duplicate suppliers' invoice
C The amount on the original tax invoice
D The amount on the computerised accounting system

(3 × 1) (3)

1.4 The following incomplete tax invoice was extracted from the records of LB Computers.

TAX INVOICE
LB COMPUTERS



No. ***LB5***

5 Spence Street
Parow
7500

✆ 021 234 5678
🖷 082 345 6789
VAT Reg. No.: 794613285

TO: Computer Traders
95 Razia Road
8301 DAVEL

TERMS: 10% invoice discount
7.5% discount within
15 days from invoice

25/03/2024

Quantity	Description	Unit Price		Amount	
10	Hard drives	2 420	00	24 200	00
8	Monitors	4 175	00	33 400	00
6	Processors	1 340	00	8 040	00
			Subtotal	**1.4.1**	
			10% Discount	**1.4.2**	
			15% VAT	**1.4.3**	
			TOTAL	**1.4.4**	

Use the information from the tax invoice to calculate the following. Show all calculations: Round off answers to 2 decimals.

1.4.1 The subtotal of the invoice (3)

1.4.2 The trade discount (2)

1.4.3 VAT calculated at 15% (3)

1.4.4 The total amount due to LB Computers (2)

[20]

TOTAL SECTION A: 20

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SECTION B

QUESTION 2

INSTRUCTIONS

1. Open the account system of Colby Traders (**COLBY**), which has already been loaded on your computer.

2. The password is 123.

3. Select SETUP.

4. Select COMPANY PARAMETERS.

5. Select the COMPANY tab.

6. In the COMPANY DETAILS, select the Company Name section and click on 'Educational Number'.

7. Press CTRL + SHIFT + T and insert your EXAMINATION NUMBER in the block that appears. Click OK.

Nancy Louw started a business called **Colby Traders**. The business sells groceries and makes use of a computerised accounting system. Nancy appointed you as the bookkeeper.

The business is registered for VAT purposes and makes bi-monthly payments to SARS, according to the invoice basis.

You are requested to:
- Process the transactions for March 2024 (Period 1)
- Generate and hand in printouts as required on page 16.

The following setup has ALREADY BEEN CREATED in the books of Colby Traders.

(a) **PERIOD**

The financial year of the business runs from 1 March 2024 until 28 February 2025. The current period is March 2024, which is period 1.

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(b) **ENTRY TYPES**

NUMBER	ENTRY TYPE
1	Cash Payments Journal (CB 1)
2	Cash Receipts Journal (CB 1)
3	Petty Cash Payments Journal (CB 2)
4	Petty Cash Receipts Journal (CB 2)
5	General Journal
6	Customers' Journal
7	Suppliers' Journal
8	Customers' Allowances Journal
9	Suppliers' Allowances Journal
10	Bad Debts Journal
11	Interest Charged Journal
12	Stock Journal

(c) **VALUE-ADDED TAX (VAT - 15%)**

The business is registered as a VAT vendor and VAT is captured according to the invoice basis. Refer to the attached ADDENDUM concerning the admissible deductions with regard to INPUT TAX.

(d) **CUSTOMERS**

CUSTOMER CODE	CUSTOMERS
CUS1	Z. Ferreira
CUS2	I. Klue
Z99	Cash sales

(e) **SUPPLIERS**

SUPPLIER CODE	SUPPLIERS
LS1	Lucky Stores
ST2	Super Traders

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(f) **INVENTORY**

The stock system of the business is dealt with on a continuous basis with the computer program.

Inventory is marked up at 75% on the cost price except where indicated otherwise on the inventory item.

Exclusive tax processing is applied to all stock purchases and sales except where indicated otherwise on invoices.

The following stock codes and prices (**VAT Excl.**) are applicable:

Stock code	Description	Unit	Cost price	Sales price
B001	Beef mince	500 g	53,99	94,49
C001	Chips	150 g	12,00	21,00
DC	Delivery cost			250,00
O001	Omo (markup is 110% on cost)	1,5 ℓ	90,00	189
P001	Party pack	Each	89,40	156,45
R001	Ricoffy	750 g	119,40	208,95
T001	Toothpaste	Each	23,99	41,99
W001	Weetbix	900 g	28,79	50,39

(g) **TERM CODES**

- 5% discount within 60 days from last day of period.
- 10% discount within 30 days from last day of period.
- 15% discount within 15 days from last day of period.

(h) **TAKE-ON BALANCES**

All opening balances have been captured EXCEPT for the opening balance of supplier Lucky Stores.

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REQUIRED

- Capture the opening balances for supplier Lucky Stores in the relevant journal. Print and update the journal.
- Use the source documents and information provided below to record the transactions in the appropriate journals or documents in period 1 (March 2024) in the books of Colby Traders.
- Use the ADDENDUM (attached) to determine admissible deductions with regard to input tax.
- Continue to use the account structure for the General Ledger that has been set up. If there is no account into which to enter a transaction, create the account.
- Print all the documents after processing. When printing journals, select 'Print with contras'.
- Update all the documents and journals after printing.
- Refer to page 16 for a full list of the PRINTOUTS to be handed in for marking. Hand in the PRINTOUTS in the order on page 16. FIVE (5) marks will be deducted if PRINTOUTS are not handed in in the same order as the list given.

2.1 TAKE ON BALANCES

2.1.1 The opening balances of the following supplier have not been captured. Record the opening balances in the relevant journal using the Supplier Age Analysis below.

Use the Reference: SJ1 and the Description: Opening bal.

SUPPLIER AGE ANALYSIS AT 29 FEBRUARY 2024				
SUPPLIER	**60 days**	**30 days**	**Current**	**Total**
Lucky Stores	R2 000,00		R5 500,00	R7 500,00
Total	**R2 000,00**		**R5 500,00**	**R7 500,00**

2.1.2 All other take-on balances have been processed.

2.1.3 Print a Supplier Age Analysis as at 29 February 2024 with descriptions and no details. (4)

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2.2 CREDIT PURCHASES OF INVENTORY

*** **BAZAAR GROCERS**



112 Smith Street
PAROW
7500

No. 123

✆ 064 321 0987
@ shop@iafrica.co.za

07/03/2024

TAX INVOICE

VAT Reg. No.: 987654321

TO: Colby Traders
52 Voortrekker Street
BELLVILLE 7530

TERMS: 5% discount within 60 days
10% overall discount

Quantity	Description	Unit Price		Amount	
50	Beef mince	55	00	2 750	00
60	Party pack	98	99	5 939	40
70	Weetbix	28	97	2 027	90
			Subtotal	10 717	30
			10% Discount	1 071	73
				9 645	57
			15% VAT	1 446	84
			TOTAL	**11 092**	**41**

*** Create the new supplier using the account structure already set up. Credit limit: R5 000,00.

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LUCKY STORES

✆ 021 246 1379
@ lucky.s@gmail.com

VAT Reg. No.: 147852369

TAX INVOICE

456

TO: Colby Traders
52 Voortrekker Street
BELLVILLE 7530

63 Tabor Avenue
BOSTON
7530

TERMS: 15% discount within 15 days
15% trade discount

14/03/2024

Quantity	Description	Unit Price		Amount	
30	Toothpaste	23	99	719	70
20	Omo	98	98	1 979	60
10	Chips	12	50	125	00
			Subtotal	2 824	30
			15% Discount	423	64
				2 400	66
			15% VAT	360	10
			TOTAL	**2 760**	**76**

SUPER TRADERS

✆ 021 246 1379
@ ST@cloud.co.za

VAT Reg. No.: 357159852

789

TAX INVOICE

TO: Colby Traders
52 Voortrekker Street
BELLVILLE 7530

15 Church Street
BELLVILLE 7530

21/03/2024

TERMS: 10% discount within 30 days
2,5% trade discount

Quantity	Description	Unit Price		Amount	
12	Ricoffy	119	40	1 432	80
10	*** Chicken 5 kg	108	00	1 080	00
			Subtotal	2 512	80
			2.5% Discount	62	82
				2 449	98
			15% VAT	367	50
			TOTAL	**R2 817**	**48**

*** Create a new inventory item with a unit of 5kg: Use code C002 (25)

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2.3 CREDIT RETURNS OF INVENTORY

DATE	SUPPLIER	REASON
10/03/2024	Bazaar Grocers	5 Weetbix – boxes opened 10 Party packs – not according to order
23/03/2024	Super Traders	2 Ricoffy – wrong flavour

(13)

2.4 CASH AND CREDIT SALES

2.4.1 Z99 is the cash sales account which is used to capture cash sales transactions.

2.4.2 Insert the names and addresses of all cash customers in the 'delivery address' field.

2.4.3 Message for cash customers: 'Thank you for shopping with us.'

2.4.4 All cash customers receive a 7,5% cash discount.

NAME	DATE	EARLY PAYMENT TERMS AND DISCOUNT	DETAILS
I. Klue	05/03/2024	15% within 15 days 5% trade discount	• 21 Weetbix • 14 Ricoffy • 7 Beef mince • Delivery cost
Z. Ferreira	13/03/2024	5% within 60 days	• 15 Party packs • 30 Chips
****New customer***: R. Roulain 63 Walton Drive EPPING 7530 Tel: 0848527139 Credit limit: R2 000 VAT registration: 123456789	21/03/2024	10% within 30 days 5% invoice discount	• 10 Omo • 15 Toothpaste • 20 Chips • Delivery cost
Cash sale ***Deliver to***: C. Peters 2 Regan Street GOODWOOD	29/03/2024		• 25 Party packs • 15 Chips • 5 Chicken

**Create the new customer using the account structure already set up. (30)

2.5 **CREDIT RETURNS OF INVENTORY**

CUSTOMER	DATE	REASON
Z. Ferreira	14/03/2024	2 Party packs – delivered to S. Ferreira 4 Chips – not ordered

(7)

2.6 **PETTY CASH**

Number: *V001*
Date: *07/03/24*



Colby Traders
52 Voortrekker Street
BELLVILLE 7530

Petty Cash Voucher

For:	*Ceder Dog Foundation (donation)*
Amount:	*R250,00*
Approved by:	*F. Viljoen*

- Create an account for Donation (3600/000)

Number: *V002*
Date: *14/03/24*



Colby Traders
52 Voortrekker Street
BELLVILLE 7530

Petty Cash Voucher

For:	*S. Jantjies – (a casual worker's wage)*
Amount:	*R180,00*
Approved by:	*F. Viljoen*

Number: *V003*
Date: *21/03/24*



Colby Traders
52 Voortrekker Street
BELLVILLE 7530

Petty Cash Voucher

For:	*Compin: Repaired the office printer and the printer of owner's son (R150,00)*
Amount:	*R475,00*
Approved by:	*F. Viljoen*

(9)

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2.7 CASH RECEIPTS JOURNAL

CASH REGISTER ROLL



R5 500,94

29/03/2024
CRR301

CASH RECEIPTS

Number: 31
Date: 03/03/24

Colby Traders
52 Voortrekker Street
BELLVILLE 7530

Cash Receipt

Received from:	*Nancy Jacobs*	
For:	*Capital contribution*	
Amount:	*Ten thousand rand only*	*R10 000,00*
Payment method:		*With thanks:*
☑ *EFT* ☐ *Debit/Credit card* ☐ *Bank deposit*		*F. Viljoen*

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Number: *32* *Date:* *10/03/24*	**Colby Traders** 52 Voortrekker Street BELLVILLE 7530	

Cash Receipt

Received from:	*I. Klue*	
For:	*Settle invoice on 5 March 2024*	
Amount:	*???*	*R???*

Payment method:	*With thanks:*
☐ *EFT* ☐ *Debit/Credit card* ☑ *Bank deposit*	*F. Viljoen*

Number: *33* *Date:* *15/03/24*	**Colby Traders** 52 Voortrekker Street BELLVILLE 7530	

Cash Receipt

Received from:	*T. McDonald*	
For:	*Rent received*	
Amount:	*Nine thousand seven hundred rand only*	*R9 700,00*

Payment method:	*With thanks:*
☑ *EFT* ☐ *Debit/Credit card* ☐ *Bank deposit*	*F. Viljoen*

Create and account for rent received. *Account number 2950/000*

Number: *34* *Date:* *22/03/24*	**Colby Traders** 52 Voortrekker Street BELLVILLE 7530	

Cash Receipt

Received from:	*V. Vuso*	
For:	*Bad debts recovered*	
Amount:	*One thousand eight hundred rand only*	*R1 800,00*

Payment method:	*With thanks:*
☐ *EFT* ☑ *Debit/Credit card* ☐ *Bank deposit*	*F. Viljoen*

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Number: *35* *Date:* *25/03/24*	**Colby Traders** 52 Voortrekker Street BELLVILLE 7530	

Cash Receipt

Received from:	*A. Davids*	
For:	*Commission Received*	
Amount:	*Five thousand five hundred and fifty rand only*	*R5 550,00*
Payment method:		*With thanks:*
☑ *EFT* ☐ *Debit/Credit card* ☐ *Bank deposit*		*F. Viljoen*

*** *Change the description of account number 2900/000 to Commission Received*

CASH DEPOSITS

Date of deposit	Deposit slip number
08/03/2024	D3/1
12/03/2024	D3/2
25/03/2024	D3/3
29/03/2024	D3/4

(14)

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2.8 **CASH PAYMENTS JOURNAL (ELECTRONIC FUND TRANSFERS)**

T001	
04/03/2024	
TO:	Lucky Stores
FOR:	Settle account (Discount 10%)
AMOUNT:	R???

T002	
06/03/2024	
TO:	Computer Smart
FOR:	Laptop
AMOUNT:	R9 876,50

T003	
12/03/2024	
TO:	WC Stationers
FOR:	Pens and paper
AMOUNT:	R1 200,00

T004	
14/03/2024	
TO:	P. Sigwaga
FOR:	Salary
AMOUNT:	R25 678,00

T005	
19/03/2024	
TO:	Courier Ride
FOR:	Advertising material for March 2024
AMOUNT:	R500,00

T006	
21/03/2024	
TO:	Parow Municipality
FOR:	Electricity & Water Business R4 500 Owner R1 500.00
AMOUNT:	R6 000,00

T007	
28/03/2024	
TO:	Breedenet
FOR:	Diesel
AMOUNT:	R1 234,56

T008	
30/03/2024	
TO:	Cash
FOR:	Petty cash - restore imprest amount
AMOUNT:	R???

(15)

THE FOLLOWING PRINTOUTS FOR MARCH 2024 MUST BE GENERATED AND HANDED IN FOR MARKING:

2.1 Suppliers Age Analysis on 29 February 2024. Print description. No details. (4)

2.2 Suppliers' invoices (25)

2.3 Debit notes (13)

2.4 Tax invoices (30)

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2.5	Credit notes	(7)
2.6	Petty Cash Journal	(9)
2.7	Cash Receipts Journal	(14)
2.8	Cash Payments Journal	(15)
2.9	I. Klue statement on 31 March 2024	(3)
		[120]

TOTAL SECTION B: 120

SECTION C

QUESTION 3

INSTRUCTIONS

1. Open the account system of Kaus Traders (**KAUS**), which has already been loaded on your computer.
2. The password is 123.
3. Select SETUP.
4. Select COMPANY PARAMETERS.
5. Select the COMPANY tab.
6. In the COMPANY DETAILS, select the Company Name section and click on 'Educational Number'.
7. Press CTRL + SHIFT + T and insert your EXAMINATION NUMBER in the block that appears. Click OK.

REQUIRED

Kaus Traders, a general dealer, recently purchased a computerised accounting program. Kenneth Kaus, the owner wants to start doing the bank reconciliation on the accounting software. Use the information below to complete the following for March 2024 (period 1).

- Continue to use the account structure for the General Ledger that has been set up. If there is NO account to enter a transaction into, such an account must be created.
- Print all the documents after processing. When printing journals, select 'print with contras'.
- Update the journals.
- See page 20 for a full list of the printouts to be handed in for marking.
- Hand in the printouts in the same order as on page 20. FIVE marks will be deducted if printouts are not handed in in the same order as the list given in the question paper.

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3.1 Use the information below that appears in the books of Kaus Traders for March 2024 (period 1) to:

3.1.1 Complete and print (after the bank reconciliation) the Cash Receipts Journal with the additional entries. (9)

3.1.2 Complete and print (after the bank reconciliation) the Cash Payments Journal with the additional entries. (12)

3.1.3 Follow the reconciliation process and print the Bank Reconciliation Statement. (7)

BANK STATEMENT (*The amounts on the Bank Statement are correct)**

FINANCE BANK

Kaus Traders
129 Main Road
UPINGTON 8801

Acc. No.: 39701561983

Bank Statement No. 1

Page 1

Date: 31 March 2024

DATE	DETAILS	DEBIT(-) CREDIT	BALANCE
01/03/2024	Balance		70 000,00-
03/03/2024	DEP23	34 200,00	35 800,00-
04/03/2024	001	21 759,99-	57 559,99-
03/03/2024	PSG03	4 500,00-	62 059,99-
05/03/2024	Home Trust	50 000,00	12 059,99-
08/03/2024	003	750,00-	12 809,99-
09/03/2024	002	298,99-	13 108,98-
12/03/2024	C Plato	2 345,67	10 763,31-
15/03/2024	SAL1	25 000,00-	35 763,31-
15/03/2024	Service fee	12,34-	35 775,65-
18/03/2024	005	240,00-	36 015,65-
20/03/2024	006	3 000,00-	39 015,65-
24/03/2024	DEP24	14 130,09	24 885,56-
25/03/2024	CELC	754,32-	25 639,88-
27/03/2024	DEP25	9 563,40	16 076,48-
30/03/2024	007	14 831,96-	30 908,44-
30/03/2024	Transaction fee	6,50-	30 914,94-
31/03/2024	INT	123,45	30 791,49-

- On 03/03 – PSG03 is for insurance at PSG Insurers for March 2024.
- On 05/03 – a loan was received from Home Trust for 5 years at 19% interest per year. Rename account 7400/000 accordingly, to record this transaction.
- On 12/03 – from C. Plato for a debt that was previously written off as bad.
- On 15/03 – SAL1 is for N. Maputo's salary for March 2024.

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- On 25/03 – CELC is for payment of the owner's personal cellphone contract.
- On 31/03 – INT is for interest on the current account. Create a new account (2960/000) and record the interest.
- Record the bank charges for the month.

3.2 The following journal memos were issued during March 2024. Record the transactions in the appropriate journal/s.

KAUS TRADERS **OFFICE MEMO: 1/1** 	
TO: Bookkeeper	**DATE**: 31 March 2024
Calculate and record depreciation for March 2024 on Office Equipment at 25% per annum on the diminishing balance. Balances on 1 March 2024: • Cost price of Office Equipment: R75 000 • Accumulated depreciation on office equipment: R5 000 Round off to the nearest R100. (Show calculation in Description column)	

KAUS TRADERS **OFFICE MEMO: 1/2** 	
TO: Bookkeeper	**DATE**: 01 March 2024
Write off the account of V. Mene on 1 March 2024 due to insufficient funds.	

KAUS TRADERS **OFFICE MEMO: 1/3** 	
TO: Bookkeeper	**DATE**: 31 March 2024
On 17 March 2024 an amount of R240 was incorrectly posted to Advertising instead of Courier. Correct the error.	

(25)

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PRINTOUTS TO BE HANDED IN FOR MARKING (in the following order):

3.1	3.1.1	Cash Receipts Journal (after bank reconciliation)	(9)
	3.1.2	Cash Payments Journal (after bank reconciliation)	(12)
	3.1.3	Bank Reconciliation Statement	(7)
3.2		Journal/s to record adjustments	(25)
3.3		Trial Balance for March 2024 (Do not include opening balances; print Income Statement accounts first; do not print zero items)	(7)
			[60]

TOTAL SECTION C:	**60**
GRAND TOTAL:	**200**

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ADDENDUM

ADMISSIBLE DEDUCTIONS WITH REGARD TO INPUT TAX

	Is VAT charged?		Is input VAT deductible?	
	YES	**NO**	**YES**	**NO**
Advertisements	X		X	
Bank charges: ~Service fees ~Transaction fees	 X X		 X X	
Bad debts/recovered	X		X	
Commission received	X		X	
Computer/Printer repairs	X		X	
Courier	X		X	
Depreciation		X		
Donations		X		
Drawings		X		
Electricity and water	X		X	
Insurance	X		X	
Interest paid/received		X		
Interest on overdue account		X		
Investments		X		
Loan		X		
Office equipment	X		X	
Petrol and oil		X		
Printing and stationery	X		X	
Rent paid/received	X		X	
Salaries and wages		X		
Telephone	X		X	

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