higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N750**(E)**(J10)H
JUNE EXAMINATION

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

(4010154)

10 June 2016 (X-Paper)
09:00–12:00

Nonprogrammable calculators may be used.

This question paper consists of 7 pages and 1 answer book of 11 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE
INTRODUCTORY ACCOUNTING N4
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. Use the ANSWER BOOK that is provided.
5. Red or green ink may NOT be used.
6. Start each question on a NEW page.
7. Write neatly and legibly.

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QUESTION 1

Use the following information and complete the WAGE JOURNAL of CHIKEBA BUILDERS for the week ended on 30 September 2015.

NOTE: ALL calculations must be rounded to the nearest rand. Don't close off the journal.

INFORMATION:

The normal hours are 40 hours per week, 8 hours per day, and 5 days per week.

NAMES	HOURS WORKED	NORMAL RATE PER HOUR	OVERTIME RATE PER HOUR
S Smith	48	R12,50	R13,75
R Roby	38	R15,00	R16,25
H Hazel	46	R12,50	R13,75

DEDUCTIONS FOR ALL EMPLOYEES ARE AS FOLLOWS:

- Pension fund, 7,5% of employees' normal wage and the employers contribution will be 3,75% to the pension fund.
- PAYE is 18% of taxable income(gross wage after pension fund has been taken into account).
- UIF 1% of employees' gross wage and the employer contributes 1% to the UIF.
- Medical Aid contributions are deducted at R30 per week per employee and employer's contribution will also be R30 to the medical aid. **[35]**

QUESTION 2

The following transactions are extracts from CHIKEBA BUILDERS books during September 2015

REQUIRED:

Enter the transactions in the CASH RECEIPTS JOURNAL, CASH PAYMENTS JOURNAL and the PETTY CASH JOURNAL. Don't close off the journals at the end of the month.

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ADDITIONAL INFORMATION:

Money is deposited on the following dates: 06, 10, 18 and 30 September 2015

1 Bought pens and pencils from ANN, R25,00. petty cash voucher no.5

2 Received R5 000,00 for goods sold according to cash register roll.

3 Paid R16 500,00 to CCB Motors for vehicle bought, cheque no.400

4 Bought milk and tea for the office, R60,00. petty cash voucher no.6

5 Issued cheque no.401 R4 000,00, salaries to P W Botha.

6 The owner T Tshidino made a capital contribution of R115 000,00. receipt no. 111

7 Cash sales of merchandise R3 200,00

8 Drew cheque no. 402 to pay wages R350,00

9 Bought a new office table for R850,00, issue cheque no.403

10 Cash received from M Dombo a debtor in payment of his account R675,00. issue receipt no.112

11 Received R1 750,00 from Dream Bakery for rent. Receipt no.113

12 Bought stamps, R12,50 petty cash voucher no. 7

13 Cash sales according to the cash register roll. R14 550,00

14 Pay Game store by cheque no.404 for stationery bought. R8 500,00

15 Buy dish liquid soap for the office from PEP, R35,00. petty cash voucher no.8

16 Pay Old mutual R450,00 monthly insurance premium. Cheque no.405

17 Sent parcel by mail and paid R16,50 to the post office. Voucher no.9

18 Cash sales of merchandise R7 850,00

19 Issue cheque no.406 to BnB suppliers for trading stock R11 250,00

20 Draw a cash cheque no.407 to adjust the petty cash R650,00

21 Paid R150,00 wages for cleaning of office windows. Voucher no. 10

22 Paid workers wages R900,00 by cash. Issue cheque no. 408

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23 Received R1 250,00 from investors on a fixed deposit. Receipt no.114

24 Cash sales according to cash register roll R2 230,00

25 Received R3 500.00 from T Terms for renting Projector. Receipt no.115

26 Withdraw cheque no.409 to pay Vodacom for the owners telephone account R605,00

27 Buy cake and cold drinks from Pick n Pay for visitors R132,00. voucher no.11

28 Pay City net R1 865,00 for electricity, cheque no.410

29 Paid the local municipality for water R755,00, cheque no.411

30 Receive a cheque from T Bates in settlement of her account R450,00. receipt no.116 **[70]**

QUESTION 3

Use the information extracted from the BOOKS OF CHIKEBA BUILDERS to complete the following:

3.1 Make the supplementary entries in the Cash Receipts Journal and the Cash Payments Journal on 30 September 2015. Close off only bank column totals in both journals on 30 September 2015. (24)

3.2 Post to the Bank account in the general ledger and balance the Bank Account (9)

3.3 Prepare the Bank Reconciliation Statement on 30 September 2015 (13)

INFORMATION:

A comparison of the bank statement from Bando Bank and Cash Receipts as well as the Cash Payments Journal on 30 September 2015, reflected the following differences:

1. The business bank statement showed a credit balance of R11 958,00

2. The bank had not yet credited a deposit of R4 450,00 which was made on 29 September 2015

3. The following cheques had not yet been presented to the bank for payment:

   No. 564 – R 310,00
   No. 565 – R 490,00
   No. 566 – R1 200,00

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4. The bank had charged the current account of Chikeba Builders with the following amounts:

Cost of cheque book	:	R 25,00
Services Fees	:	R120,00
Tax Levies	:	R 40,00

5. The bank reflected a monthly debit order for R600,00 in favour of Sanlam, this is for insurance.

6. A cheque for R1 200,00 received from a debtor S Bumba was dishonoured by the bank due to insufficient funds.

7. An amount of R95,50 in respect of interest on credit balance, was credited on the bank statement.

8. A cheque for R3 000,00 withdrawn by Chikaba Builders from their account, appears as a debit on Chikeba Builders' bank statement.

9. The bank account showed a debit balance of R13 435,00 monthly totals before supplementary entries were:

CRJ R17 700,00
CPJ R11 837,50 **[46]**

QUESTION 4

The following TRIAL BALANCE appeared in the books of CHIKEBA BUILDERS 30 September 2015.

REQUIRED:

4.1 Draw up the INCOME STATEMENT for the year ended on 30 September 2015. (22)

4.2 Draw up the ASSET PART of the BALANCE SHEET for the year ended 30 September 2015. (10)

4.3 Show the NOTES to the BALANCE SHEET. (17)

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	DEBIT	CREDIT
Balance Sheet Section		
Capital		150 000
Drawings	20 250	
Land and buildings	19 000	
Equipment	27 500	
Vehicles	22 500	
Trading stock (1 October 2014)	45 100	
Debtors control	25 100	
Bank	9 200	
Petty cash	250	
Cash float	400	
Creditors control		17 200
Nominal Account Section		
Sales		149 950
Purchases	95 200	
Carriage on purchases	1 300	
Commission received		9 350
Salaries	32 700	
Water and electricity	2 050	
Rent paid	19 750	
Telephone	3 900	
Bank charges	600	
Insurance	1 700	
	326 500	326 500

[49]

ADDITIONAL INFORMATION

- The merchandise was valued at R13 800 after a physical stock taking on 30 September 2015.

TOTAL: 200

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