higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N690(E)(J13)H
JUNE EXAMINATION

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

(4010154)

13 June 2014 (Y-Paper)
13:00–16:00

Calculators may be used.

This question paper consists of 8 pages and an 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 attached answer book to answer the questions.
5. Red or green ink must NOT be used.
6. Write neatly and legibly.

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QUESTION 1

Use the following information and complete the wage journal of LIBYA, for the week ended on 17 January 2014.

NOTE: All calculations must be rounded off to the nearest rand. Do not close off the journal.

INFORMATION:

- The normal hours are 45 hours for a week consisting of 5 days. Mondays to Fridays 9 hours per day.
- G Nobel worked on Monday 9 hours, Tuesday 10 hours, Wednesday 11 hours, Thursday 9 hours, and Friday 10 hours.
- M Nkopane worked on Monday 9 hours, Wednesday 12 hours, Thursday 9 hours, and Friday 9 hours. She was sick on Tuesday and handed in a doctor's letter.
- Deductions:

Employee	Depen-dants	Medical Aid Fund	Pension Fund	PAYE	UIF
G Nobel M Nkopane	2 3	R150 for the member and R50 for each dependant	7,5% of normal wage	25% of gross wage after pension has been taken into account	1% of normal wage

Abbreviations:

PAYE – Income Tax
UIF – Unemployment Insurance Fund

Employer's contribution:

Pension Fund – 60% of the contribution of the employee
UIF – R1.50 for each R1.00 contributed by the employee

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QUESTION 2

Use the information obtained from the books of Basfour to complete the following:

- Make the supplementary entries in the cash book on 31 March 2014. Close off and balance the cash book on 31 March 2014.
- Prepare the bank reconciliation statement on 31 March 2014.

INFORMATION:

1. The cash book had a debit balance of R120 600 on 31 March 2014.

2. A comparison of the bank statement with the cash book on 31 March 2014 revealed the following differences:

2.1 The bank statement showed a credit balance of R124 600.

2.2 The following cheques had not yet been presented for payment:

No. 258	R10 100
No. 267	R23 400
No. 275	R 5 000

2.3 Cheque no. 221 to the value of R30 000, was sent to Telkom as payment of our account. It got lost in the post and must be cancelled. A new cheque will be posted

2.4 A cheque to the value of R24 500, withdrawn by Basdock, out of their current account appears on the business bank statement.

2.5 The bank had debited the current account of Basfour with the following amounts:

Cost of a cheque book	R90
Service fees	R2 420
Tax levies	R290
Interest on overdraft	R600

2.6 A credit entry of R7 500 was in respect of a deposit that Basbin made directly on their account, but it appeared on the business bank statement.

2.7 The bank statement showed a debit order of R5 000 in favour of *Beeld* as payment of the business monthly advertisement.

2.8 The bank had not yet credited a deposit of R33 400, which was made on 31 March 2014.

2.9 The bank statement showed a monthly stop order for R2 500 in favour of Edgars. This was to pay the owner's clothing account.

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2.10 A. Jordaan deposited R6 000 directly into the current account of the business in payment of his account.

2.11 A cheque of R9 200, received from a debtor, J. Tsobane, had been dishonoured on account of insufficient funds. **[42]**

QUESTION 3

The following transactions occurred in the books of Alpha Pharmacy during May 2014.

REQUIRED:

Enter the transactions in the cash receipts -, cash payments- and petty cash journal. Do not close off the journals at the end of the month.

ADDITIONAL INFORMATION:

Money is deposited on 5, 18, 22 and 29 May 2014.

TRANSACTIONS:

May 2014:

1 Buy pills from AZ Labs and pay R17 400 by cheque no. 910.

3 Cash sales according to the total of the cash register roll R72 300.

4 Buy stamps from the Post office, R120. Petty-cash voucher 311 is issued.

5 Received from U. Mooi R4 400 for interest on money borrowed to him. Receipt 665 is issued.

6. Buy a motorbike from Vespa and pay R45 000 by cheque 911.

7 Withdraw R1 000 by cheque no. 912. This will be used as float.

8 Cash sales according to the total of the cash register roll R46 100.

10 Buy envelopes and pay R70. Petty-cash voucher 312 is issued.

11 The owner, K. Botha, gives a cheque of R110 000 to increase his capital. Receipt 666 is issued.

12 Send cheque no. 913 to Greengross as partial payment of our account, R22 200.

13 Draw a cash cheque no. 914 to pay wages, R3 000.

15 Buy flowers for a regular customer, R200. Petty cash voucher 313 is issued.

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16 Pay Gigabyte R80 000 by cheque no. 915 for computers.

18 Cash sales according to the total of the cash register roll, R135 000.

19 Receive a cheque of R6 600 from Y. Theron in settlement of her account. Receipt 667 is issued.

20 Donate R2 000 to Wild Life Trust, by cheque no. 916.

21 Pay the owner's wife salon account to Danika Spa, R900. Petty-cash voucher 314 is issued.

22 Cash sales according to the total of the cash register roll, R55 400.

23 Pay Waltons for cartridge for the photocopy machine by cheque no. 917, R3 500.

24 Pay Supafix for the new tyres of the delivery vehicle, R8 800, by cheque no. 918.

25 Buy baby products for R26 800 from Johnson & Johnson and pay by cheque no. 919.

26 Receive R15 000 from Herbal Life for commission on products sold. Receipt 668 is issued.

27 Issue cheque no. 920 to Cell C for a new cell phone, R2 900.

28 Buy newspapers for reception, R300. Petty-cash voucher 315 is issued.

29 Receive R20 000 from T Rossouw for the renting of a storage room. Receipt 669 is issued.

30 Pay Telkom by cheque no. 921, R7 600.

31 Pay PG Glass for the repair of a window, R350. Petty cash voucher 316 is issued.

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QUESTION 4

The following trial balance appeared in the books of Rubicon on 30 June 2014.

REQUIRED:

4.1 Draw up the income statement for the year ended on 30 June 2014.

4.2 Draw up the balance sheet for the year ended 30 June 2014

4.3 Show the notes to the balance sheet.

TRAIL BALANCE OF RUBICON ON 30 JUNE 2014

BALANCE SHEET SECTION	DEBIT	CREDIT
Capital		1 480 000
Drawings	120 000	
Land and buildings	900 000	
Equipment	450 000	
Vehicles	700 000	
Trading stock (1 July 2013)	340 000	
Debtors control	92 000	
Bank	110 000	
Petty cash	2 000	
Cash float	1 000	
Creditors control		66 000
Loan: Atlantis Bank (11%)		900 000
NOMINAL ACCOUNT SECTION		
Sales		1 260 000
Purchases	750 000	
Carriage on Purchases	15 000	
Carriage on Sales	22 000	
Rent received		180 000
Salaries	450 000	
Custom duties	16 000	
Interest received		165 000
Fuel	57 000	
Packaging material	41 000	
Entertainment cost	36 000	
Commission received		75 000
Cleaning cost	24 000	
	4 126 000	4 126 000

ADDITIONAL INFORMATION:

The merchandise was valued at R440 000 after a physical stocktaking on 30 June 2014. **[47]**

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QUESTION 5

You are requested to draft the petty-cash account for April 2014 in the books of Pandora.

The following information was given:

5.1 An imprest amount of R1 500 is kept in the petty cash.

5.2 The balance of the petty-cash account on 1 April 2014 was R400.

5.3 On 3 April 2014 you received an amount from the cashier to reimburse the imprest amount.

5.4 You received R1 000 from the cashier on 15 April 2014.

5.5 The total of the petty-cash payments amounted to R2 400 during April 2014.

5.6 You received an amount from the chief cashier on 30 April 2014 to reimburse the imprest amount.

5.7 Balance the petty-cash account on 30 April 2014. **[14]**

TOTAL: 200

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EXAMINATION NUMBER | | | | | | | | | | | | |

INTRODUCTORY ACCOUNTING N4

JUNE 2014

ANSWER BOOK

QUESTION 1	
QUESTION 2	
QUESTION 3	
QUESTION 4	
QUESTION 5	
TOTAL	
PERCENTAGE	

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EKSAMENNOMMER: | | | | | | | | | | | | |

QUESTION 1

WAGE JOURNAL OF LIBYA FOR THE WEEK ENDED 17 JANUARY 2014

NAME	NORMAL			OVERTIME			GROSS WAGE	DEDUCTIONS					NET WAGE	EMPLOYER'S CONTRIBUTION		
	TARIFF	HOURS	AMOUNT	TARIFF	HOURS	AMOUNT		PENSION-FUNDS	MEDICAL AID	PAYE	UIF	TOTAL		PENSION FUND	UIF	TOTAL

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EXAMINATION NUMBER:

QUESTION 2.1

CASH BOOK OF BASFOUR – MARCH 2014

Debit side

CB3

DOC	DAY	DETAILS	FOL	SUNDRY ACCOUNTS			SALES	DEBTORS CONTROL	ANALYSIS OF RECEIPTS	BANK
				DETAILS	FOL	AMOUNT				
			B/D							

Credit side

DOC	DAY	PAYEE	FOL	SUNDRY ACCOUNTS			PURCHASES	BANK-CHARGES	DRAWINGS	BANK
				DETAILS	FOL	AMOUNT				
			B/D							

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EXAMINATION NUMBER:

QUESTION 2.2

BANK RECONCILIATION STATEMENT OF BASFOUR AS AT 31 MARCH 2014

DETAILS	DEBIT	CREDIT

(16)

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EXAMINATION NUMBER:

QUESTION 3

CASH RECEIPTS JOURNAL OF ALPHA PHARMACY – MAY 2014

CRJ 5

DOC	DAY	DETAILS	FOL	SUNDRY ACCOUNTS			SALES	DEBTORS CONTROL	ANALYSIS OF RECEIPS	BANK
				DETAILS	FOL	AMOUNT				

(26)

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EXAMINATION NUMBER:

QUESTION 3

CASH PAYMENTS JOURNAL OF ALPHA PHARMACY – MAY 2014

CPJ 5

DOC	DAY	PAYEE	FOL	SUNDRY ACCOUNTS			PURCHASES	CREDITORS CONTROL	TELEPHONE	BANK
				DETAILS	FOL	AMOUNT				

(32)

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EXAMINATION NUMBER:

QUESTION 3

PETTY-CASH JOURNAL OF ALPHA PHARMACY – MAY 2014

PCJ5

DAY	DETAILS	DOC	TOTAL	POSTAGE	CLEANING COST	SUNDRY ACCOUNTS		
						AMOUNT	FOL	DETAILS

(15)

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QUESTION 4.1

INCOME STATEMENT OF RUBICON FOR THE YEAR ENDED 30 JUNE 2014

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EXAMINATION NUMBER:

QUESTION 4.2

BALANCE SHEET OF RUBICON AT 30 JUNE 2014

	NOTES		
NON-CURRENT LIABILITIES			
Interest-bearing liabilities			

(11)

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EXAMINATION NUMBER:

QUESTION 4.3

NOTES

		Carrying amount

(14)

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EXAMINATION NUMBER:

QUESTION 5

GENERAL LEDGER OF PANDORA

BALANCE SHEET SECTION

PETTY CASH B7

(14)

TOTAL: 200

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