higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

14 JUNE 2018

This marking guideline consists of 14 pages.

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IF YOU HAVE TO MAKE THE DECISION FOR THE STUDENT, HE/SHE DOES NOT GET ANY MARKS. IF THE ACCOUNTING PRINCIPLE IS CORRECT, DO NOT PENALISE THE STUDENT MORE THAN ONCE FOR A MISTAKE.

QUESTION 1

1.1 Minus half a mark (½) for each balance sheet item that appeared in the profit and loss account.

1.2 If the trial balance has been rewritten, no marks.

1.3 If the amount is correct and details are wrong, no marks and vice versa.

1.4 If the account name or headings are not in line with the correct account, no marks.

1.5 Minus half a mark (½) for each income statement item that appeared in the balance sheet and notes.

QUESTION 2

2.1 Less TWO marks if not rounded to the nearest rand (Even if there is only ONE that is not rounded). Thereafter work with the cents ensuring it is correct.

2.2 Less TWO marks if correction fluid is used.

2.3 Do NOT penalise the student more than once for a mistake.

QUESTION 3

3.1 If the amount is written in more than ONE column, NO marks.

3.2 If the student wrote the correct amount in the sundry account, but entered the amount in the wrong column, NO marks.

3.3 If the transactions are in more than one place (for example in the petty cash journal, the cash receipt journal or the cash payment journal), NO marks.

3.4 Bank deposits must be in line with the correct date.

3.5 The entries must be commission received, rent received, discount received (not commission, rent and discount), capital (not capital contribution), et cetera.

3.6 If the document number is left out, minus ONE in each journal.

3.7 In the cash receipt journal the analysis of the receipts column is marked together with the details column.

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3.8 In the cash payments journal mark the bank column together with the payee column.

3.9 In the petty cash journal, the details column is marked together with the totals column.

3.10 If a folio number is left out or wrong in the petty cash account, minus ONE mark.

3.11 In the petty cash account the details column is marked together with the amounts column.

QUESTION 4

4.1 If the student wrote the correct amount in the sundry account but entered the amount in the wrong column, NO marks.

4.2 If the transactions are in more than one place (for example in the bank reconciliation, the cash receipts or cash payments journals) NO marks.

4.3 If there is an amount under analysis of receipts, minus TWO marks.

4.4 If the details of the bank reconciliation are wrong, only ONE mark for the amount if it is in the correct column.

4.5 In the cash receipts journal mark the bank column together with the details column.

4.6 In the cash payments journal mark the bank column together with payee (beneficiary) column.

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QUESTION 1

1.1

GENERAL LEDGER OF SIYABONGA NKULU TRADING ACCOUNT							
DATE	**DETAILS**	**FOLIO**	**AMOUNT**	**DATE**	**DETAILS**	**FOLIO**	**AMOUNT**
2017 July 30	Opening stock	J1	15 100 ✓	2017 July 30	Sales	J1	440 000 ✓ ✓
	Purchases	J1	353 100 ✓				
	Carriage on purchases	J1	9 900 ✓				
	Import duties	J1	3 000 ✓				
	Gross profit		141 400 ✓		Closing stock	J1	82 500 ✓
			522 500				522 500

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GENERAL LEDGER OF SIYABONGA NKULU PROFIT AND LOSS ACCOUNT							
DATE	**DETAILS**	**FOLIO**	**AMOUNT**	**DATE**	**DETAILS**	**FOLIO**	**AMOUNT**
2017 July 30	Carriage on sales	J1	7 925 ✓	2017 July 30	Trading account	J1	141 400 ✓
	Salaries	J1	70 820 ✓		Rent received	J1	90 000 ✓
	Commission paid	J1	9 355 ✓		Interest	J1	55 000 ✓
	Sundry expenses	J1	7 500 ✓		Discount received	J1	35 000 ✓
	Legal cost	J1	8 000 ✓				
	Taxes and levies	J1	940 ✓				
	Net profit		216 860 ✓				
			321 400				321 400

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1.2

BALANCE SHEET OF SIYABONGA NKULU 30 JULY 2017			
	NOTES		
ASSETS			
Noncurrent assets			448 460 ✓
Property, equipment and vehicles	1	448 460 ✓	
CURRENT ASSETS			95 500 ✓
Stock	2	82 500 ✓	
Trade and other receivable	3	11 000 ✓	
Cash and equivalent	4	2 000 ✓	
TOTAL ASSETS			543 960 ✓✓
EQUITY AND LIABILITIES			
Owner's equity			381 960 ✓
Capital	5	381 960 ✓	
Noncurrent liabilities			65 000 ✓
Interest-bearing liabilities (Loan: New Bank)		65 000 ✓	
			97 000 ✓
Trade and other payable	6	47 000 ✓	
Bank overdraft		49 000 ✓	
TOTAL EQUITY AND LIABILITY			543 960 ✓✓

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1.3

		Carrying amount
1. PROPETY, EQUIPMENT AND VEHICLES		448 460 ✓
Land and building	156 900 ✓	
Equipment	168 000 ✓	
Vehicles	123 560 ✓	
2. STOCK		82 500 ✓
Trading stock	82 500 ✓	
3. TRADE AND OTHER RECEIVABLE		11 000 ✓
Debtors' control	11 000 ✓	
4. CASH AND CASH EQUIVALENT		2 000 ✓
Petty cash	1 300 ✓	
Cash float	700 ✓	
5. CAPITAL		381 960 ✓
Balance at the beginning	201 000 ✓	
Plus net profit	216 860 ✓	
Less drawings	35 900 ✓	
6. TRADE AND OTHER PAYABLE		48 000 ✓
Creditors' control	48 000 ✓	

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QUESTION 2

WAGE ENVELOPE							
Name: V. JERARD				**Age: 37**			
Week ended: 28 October 2017				**Employee no: JED 26**			
DEDUCTIONS	**R**	**C**	**EARNINGS**	**TARIFF**	**HOURS**	**R**	**C**
Medical fund	200	00✓	Normal time	R12	35✓	420	00✓
Pension fund	32	00✓	Overtime	R18	3✓	54	00✓
Payee	111	00✓	Total earnings			475	00✓
UIF	4	00✓	Minus: Total deductions			347	00✓
Total deductions	347	00✓	Net wage			126	00✓

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WAGE ENVELOPE							
Name: P. CASSIA				**Age: 29**			
Week ended: 28 October 2017				**Employee no: CAS 27**			
DEDUCTIONS	**R**	**C**	**EARNINGS**	**TARIFF**	**HOURS**	**R**	**C**
Medical fund	250	00✓	Normal time	R14	45✓	630	00✓
Pension fund	44	00✓	Overtime	R21	0✓	0	00✓
Payee	147	00✓	Total earnings			630	00✓
UIF	6	00✓	Minus: Total deductions			447	00✓
Total deductions	447	00✓	Net wage			183	00✓

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QUESTION 3

3.1

CASH RECEIPTS JOURNAL OF BRAND NEW SHOES AND CLOTHING – JUNE 2017										
DOC	**DAY**	**DETAILS**	**FOL**	**SUNDRY ACCOUNTS**			**SALES**	**DEBTORS' CONTROL**	**ANALYSIS OF RECEIPTS**	**BANK**
				DETAILS	**FOL**	**AMOUNT**				
CRR	1	Sales✓					83 000 ✓		83 000	
201	5	Victoria✓		Rent received		8 000 ✓			8 000	
CRR	8	Sales✓					70 5000 ✓		70 500	161 500 ✓
202	11	Jovanille✓		Capital		100 000 ✓			100 000	
CRR	12	Sales✓					83 000 ✓		83 000	183 000 ✓
CRR	18	Sales✓					27 000 ✓		27 000	
203	19	Yul✓						6 600 ✓	6 600	
CRR	22	Sales✓					58 900 ✓		58 900	
CRR	24	Sales✓					80 700 ✓		80 700	173 200 ✓
204	26	ABSA Bank✓		Interest on the fixed deposit		23 500 ✓			23 500	
205	29	Cecina✓		Commission received		6 000 ✓			6 000	
CRR	30	Sales✓					31 900 ✓		31 900	61 400 ✓

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3.2

CASH PAYMENTS JOURNAL OF BRAND NEW SHOES AND CLOTHING – JUNE 2017										
DOC	**DAY**	**PAYEE**	**FOL**	**SUNDRY ACCOUNTS DETAILS**			**PURCHASES**	**CREDITORS' CONTROL**	**PETTY CASH**	**BANK**
				DETAILS	**FOL**	**AMOUNT**				
111	1	Cash							2 300 ✓	23 00 ✓
112	6	Pure Leather					90 000 ✓			90 000 ✓
113	7	Cash		Cash float		700 ✓				700 ✓
114	12	Green Cross						50 800 ✓		50 800 ✓
115	13	Cash		Wages		73 000 ✓				73 000 ✓
116	15	Cash							1 370 ✓	1 370 ✓
117	16	Munich		Wages and salaries		43 000 ✓				43 000 ✓
118	20	Katgi Orphanage		Donation		96 000 ✓				96 000 ✓
119	23	Trade Centre					1 500 ✓			1 500 ✓
120	24	Telkom		Telephone		31 600 ✓				31 600 ✓
121	25	Kay and Stay					69 800 ✓			69 800 ✓
122	26	Incredible Connection		Equipment		46 000 ✓				46 000 ✓
123	30	Eskom		Electricity		12 900 ✓				12 900 ✓
124	30	Cash							285 ✓	285 ✓✓

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3.3

PETTY CASH JOURNAL OF BRAND NEW SHOES AND CLOTHING – JUNE 2017								
DAY	**DETAILS**	**DOC**	**TOTAL**	**POSTAGE**	**SUNDRY EXPENSES**	**SUNDRY ACCOUNTS**		
						AMOUNT	**FOL**	**DETAILS**
4	Stamps/Post office	001	110✓	110✓				
10	Candles	002	120✓		120✓			
15	Tissues	003	450✓		450✓			
21	Owner's electricity account	004	875✓			875✓		Drawings✓
27	Pens and pencils	005	100✓			100✓		Stationary✓
			1 655✓	110✓	570✓	975✓		

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3.4

GENERAL LEDGER OF BRAND NEW SHOES AND CLOTHING – 30 JUNE 2017							
BALANCE SHEET SECTION							
PETTY CASH ACCOUNT							
DATE	**DETAILS**						
2017 JUNE 1	Bank✓	CPJ	2 300✓	2017 JUNE 30	Total payment✓	PCJ	1 655✓
2017 JUNE 6	Bank✓	CPJ	1 370✓		Balance✓	C/D	2 300✓
2017 JUNE 15	Bank✓	CPJ	285✓				
			3 955✓				3 955✓
2017 July 1	Balance✓	B/D	2 300✓				

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QUESTION 4

4.1

CASH RECEIPTS JOURNAL OF TRUSCOTT BAKERY – 30 JUNE 2017										
DOC	**DAY**	**DETAILS**	**FOL**	**SUNDRY ACCOUNTS**			**SALES**	**DEBTORS**	**ANALYSIS OF RECEIPTS**	**BANK**
				DETAILS	**FOL**	**AMOUNT**				
	30	Total				46 720 ✓				46 720 ✓
B/S		Filton Dealers		Creditors' control		2 950 ✓				2 950 ✓
		Katella		Rent received		8 710 ✓				8 710 ✓
						58 380				58 380

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CASH PAYMENTS JOURNAL OF TRUSCOTT BAKERY – 30 JUNE 2017										
DOC	**DAY**	**PAYEE**	**FOL**	**SUNDRY ACCOUNTS**			**PURCHASES**	**CREDITORS**	**DRAWINGS**	**BANK**
				DETAILS	**FOL**	**AMOUNT**				
		Total				22 900✓				22 900✓
B/S	30	Capitec Bank		Interest on overdraft		3 600✓				3 600✓
		Clientele		Insurance		8 700✓				8 700✓
		Samba		Bank charges		3 510✓			23 000	23 000✓
		Correction of cheques					2 970✓			2 970✓
		Victor (R/D)		Debtors' control		31 745✓				31 745✓
										96 425✓

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4.2

GENERAL LEDGER OF TRUSCOTT BAKERY – 30 JUNE 2017							
BANK ACCOUNT							
DATE	**DETAILS**	**FOL**	**AMOUNT**	**DATE**	**DETAILS**	**FOL**	**AMOUNT**
2017 JUNE 30	Balance	B/D	1 880✓	2017 JUNE 30	Total payments	CPJ	96 425✓
	Total receipts	CJR	58 380✓				
	Balance	C/D	36 165✓				
			96 425✓				96 425✓
				2017 July 1	Balance	B/D	36 165✓

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4.3

BANK RECONCILIATION STATEMENT OF TRUSCOTT BAKERY – 30 JUNE 2017		
DETAILS	**DEBIT**	**CREDIT**
Credit balance as per bank statement		12 450✓
Credit deposit not yet credited by the bank		38 000✓
Debit outstanding cheques : No. 56	32 000✓	
No. 63	33 100✓	
No. 70	20 300✓	
Credit bank error		31 000✓
Debit bank error	21 715✓	
Debit bank error	10 500✓	
Credit balance as per bank account		36 165✓
	117 615✓	117 615✓

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TOTAL: 200

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