higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

6 JUNE 2019

This marking guideline consists of 14 pages.

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MARKING GUIDELINE

1. If the marker has to make the decision for the candidate, he/she does NOT get any marks.

2. If the accounting principle is correct, do NOT penalise the candidate more than once for a mistake.

QUESTION 1

1.1 Less TWO marks if NOT rounding off to the nearest rand. (Even if there is only ONE amount that is NOT rounded off) Where rounding off was not done, check that the cents are correct.

1.2 Less TWO marks if Tip-Ex was used.

1.3 Don't penalise the candidate more than once for a mistake.

QUESTION 2

2.1 If there were NO entries made in the cash book, NO marks for the total of the bank. If the wrong entries were made and the total is correctly calculated, draw a circle around the mark.

2.2 If a transaction was recorded in more than ONE place (for example in the bank reconciliation and cash book or both sides of the cash book), NO marks.

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

2.4 If the details or the amount in the bank reconciliation are wrong, NO marks.

2.5 Make sure that the debit balance as per cash book in the reconciliation, is the candidate's own balance.

2.6 On the debit side of the cash book, mark the bank column together with the details column.

2.7 On the credit side of the cash book, mark the bank column together with payee (beneficiary) column. NO marks are given if the amount or the detail is wrong.

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QUESTION 3

3.1 If the candidate wrote the amount in MORE than ONE column, NO marks.

3.2 If the candidate wrote under sundry account the correct account, but he/she filled in 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, cash receipts journal and the cash payments journal), NO marks.

3.4 Must be commission received, rent received, discount received (NOT commission, rent and discount), capital (NOT capital contribution), etc. NO marks for non-compliance.

3.5 In the cash receipt journal, mark the analysis of the receipt column together with the details column. NO marks for non-compliance.

3.6 In the cash payments journal, mark the bank column together with the payee column. NO marks for non-compliance.

3.7 In the petty cash journal, the details columns are marked together with totals column. NO marks for non-compliance.

3.8 If one of the folio number is left out or wrong in the petty cash account, minus ONE mark.

3.9 In the petty cash account, the details columns are marked together with the amount columns.

QUESTION 4

4.1 NO marks if the amount is provided without details, e.g. 700 000. It should be purchases 700 000.

4.2 If the trial balance is written over, NO marks.

4.3 Minus TWO marks if the candidate swapped the notes and the balance sheet, e.g. information that should be in the balance sheet is answered in the notes.

4.4 If an account name/heading does not correspond with the correct account, no marks.
Do not apply the marking method, hence there is no adjustment. The answer must be correct.

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QUESTION 1

WAGE JOURNAL OF KAPEPULA FISH MARKET FOR THE WEEK ENDED 30 JULY 2017

NAME	NORMAL			OVERTIME			GROSS WAGE	DEDUCTIONS					NET WAGE	EMPLOYER'S CONTRIBUTION		
	TARRIF	HOURS	AMOUNT	TARRIF	HOURS	AMOUNT		PENSION FUND	MEDICAL AID	PAYE	UIF	TOTAL		PENSION FUND	UIF	TOTAL
Bazile	46	45✓	2 070✓	69✓✓	5✓	345✓	2 415✓	176✓	675✓	560✓	21✓	1 432✓	3 847✓	128✓	21✓	149✓
Timbale	48✓✓	35✓	1 680✓	72	6✓	432✓	2 112✓	143✓	900✓	492✓	16✓	1 551✓	3 663✓	104✓	16✓	120✓
							4 527✓	319✓	1 575✓	1 052✓	37✓	2 983✓	7 510✓	232✓	37✓	269✓

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QUESTION 2

2.1 **CASH BOOK OF KAPEPULA FISH MARKET AS AT 31 JULY 2017**

DEBIT SIDE

DOC	DAY	DETAILS	FOL.	SUNDRY ACCOUNTS			SALES	DEBTORS	ANALYSIS OF RECEIPTS	BANK
				DETAILS	FOL.	AMOUNT				
	1/7	Balance	b/d			89 700✓				89 700✓
B/S	31	Ocean Fish (cancelled cheque)		Creditors control		86 000✓				86 000✓
		Baccarat						90 700✓		90 700✓
		Alice Bank		Interest on fixed deposit		72 985✓				72 985✓
						248 685✓		90 700✓		339 385✓
		Balance	b/d			192 895✓				192 895✓

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CREDIT SIDE

DOC	DAY	PAYEE	FOL.	SUNDRY ACCOUNTS			PURCHASES	CREDITORS CONTROL	DRAWINGS	BANK
				DETAILS	FOL.	AMOUNT				
b/s	30/1	Alice Bank		Bank charges		4 350✓				4 350✓
		Alice Bank		Interest on overdraft		2 000✓				2 000✓
		Shoes City							6 000✓	6 000✓
		Eskom		Electricity		90 300✓				4 020✓
		Cagoule (R/D)								90 300✓
		Vodacom		Debtor control		42 850✓				42 850✓
		Balance	c/d			192 895✓				192 895✓
						333 385✓			6 000✓	339 385✓

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2.2 **BANK RECONCILIATION STATEMENT OF KAPEPULA FISH MARKET AS AT 31 JULY 2017**

DETAILS	DEBIT	CREDIT
Credit balance as per bank statement		154 000✓
Credit deposit not yet credited by the bank		90 000✓
Debit the outstanding cheques: No. 40	23 000✓	
No. 41	67 000✓	
No. 47	82 990✓	
Credit bank error		178 485✓
Debit bank error	56 600✓	
Debit balance as per cash book	192 895✓	
	422 485✓	**422 485✓**

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QUESTION 3

3.1

3.1.1 **CASH RECEIPTS JOURNAL OF KAPEPULA FISH MARKET – 31 JULY 2017**

DOC	DAY	DETAILS	FOL.	SUNDRY ACCOUNTS			SALES	DEBTORS CONTROL	ANALYSIS OF RECEIPTS	BANK
				DETAILS	FOL.	AMOUNT				
200	2	Fish fetish		Discount received		2 400✓			2 400	2 400✓✓
201	5	Fish and chips		Commission received		3 000✓			3 000	3 000✓✓
CRR	9	Sales					54 290✓		54 290	54 590✓✓
202	12	Kapepula		Capital		125 000✓			125 000	125 000✓✓
CRR	14	Sales					245 800✓		245 800	245 800✓✓
203	16	Kapepula		Capital		50 000✓			50 000	50 000✓✓
CRR	20	Sales					148 150✓		148 150	
204	25	Slayer						972✓	972	
205	31	Kristen						854✓	854	149 976✓✓

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3.1.2 **CASH PAYMENTS JOURNAL OF KAPEPULA FISH MARKET – 31 JULY 2017**

DOC	DAY	PAYEE	FOL.	SUNDRY ACCOUNTS DETAILS			PURCHASES	DEBTORS CONTROL	VEHICLES	BANK
				DETAILS	FOL.	AMOUNT				
600	1	Cash		Petty cash		9 300✓				9 300✓
601	3	North municipality		Water and electricity		89 200✓				89 200✓
602	6	Redeny Motors							760 000✓	760 000✓
603	7	Total		Fuel		3 450✓				3 450✓
604	9	Ocean Fish Market					29 000✓			29 000✓
605	11	Cash		Petty cash		1 586✓				1 586✓
606	16	Portico Fish Traders					112 700✓			112 700✓
607	17	Cash		Petty cash		1 000✓				1 000✓
608	21	Canon		Stationery		2 800✓				2 800✓
609	23	Scania Trucks							640 985✓	640 985✓
610	24	Atlanta Fishery					42 000✓			42 000✓
611	27	Cash		Drawings		2 100✓				2 100✓
611	30	Churchill Foundation		Donation		45 900✓				45 900✓
613	31	Cash		Petty cash		100✓				100✓

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3.1.3 **PETTY CASH JOURNAL OF KAPEPULA FISH MARKET 31 JULY 2017**

DAY	DETAILS	DOC.	TOTAL	STATIONERY	DRAWINGS	SUNDRY ACCOUNTS		
						AMOUNT	FOL.	DETAILS
4	Cold drink	011	850✓			850		Refreshments OR Sundry expenses✓
8	Canon	012	650✓	650✓				
10	Stamps	013	93✓			93		Postage✓
18	Lock Smith	014	728✓		728 ✓			
28	Chocolates for the owner's wife	015	195✓		195 ✓			
29	Macron	016	170✓			170		Sundry expenses✓
			2 686✓	**650**	**923**	**1 113**		

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3.2 **GENERAL LEDGER OF KAPEPULA FISH MARKET 31 JULY 2017**

BALANCE SHEET SECTION

DR **PETTY CASH** **B9** **CR**

DATE	DETAILS	FOL.	AMOUNT	DATE	DETAILS	FOL.	AMOUNT
1/7	Bank	CPJ	9 300✓	31/1	Total payment	PCJ	2 686✓
11/7	Bank	CPJ	1 586✓		Balance	C/D	9 300✓
17/7	Bank	CPJ	1 000✓				
31/7	Bank	CPJ	100✓				
			11 986				**11 986**
1/2	Balance	B/D	9 300✓				

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QUESTION 4

4.1 **INCOME STATEMENT OF KAPEPULA FISH MARKET ON 31 JULY 2017**

Sales			980 000✓
Less: Cost of sales:			405 510✓
Trading stock at the beginning	64 240✓		
Plus purchases	700 000✓		
Plus carriage on purchases	24 000✓		
Plus custom duties	30 000✓		
Stock available for use		818 240✓	
Less trading stock at the end of July/Closing stock		-412 730✓	
Gross profit			574 490✓
Plus: Other income:			180 000✓
Rent income	65 000✓		
Interest income	63 000✓		
Commission received	52 000✓		
Gross income for the year			754 490✓
Operating expenses:			576 000✓
Carriage on sales	28 660✓		
Wages and salaries	530 340✓		
Discount allowed	2 100✓		
Licences	2 400✓		
Interest paid	5 500✓		
Cleaning materials	4 450✓		
Bank charges	2 550✓		
Net profit for the year			178 490✓

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4.2 **BALANCE SHEET OF KAPEPULA FISH MARKET ON 31 JULY 2017**

	NOTES		
Noncurrent assets			837 860✓
Property, equipment and vehicles	1	837 860✓	
Current assets			**472 930**✓
Stock	2	412 730✓	
Trade and other receivable	3	56 900✓	
Cash and cash equivalent	4	3 300✓	
TOTAL ASSETS			**1 310 790**✓

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4.3 **NOTES**

		CARRYING AMOUNT
1. PROPERTY, EQUIPMENT AND VEHICLES		837 860✓
Land and building	232 100✓	
Equipment	524 000✓	
Vehicles	81 760✓	
2. STOCK		412 730✓
Trading stock	412 730✓	
3. TRADE AND OTHER RECEIVABLE		56 900✓
Debtors control	56 900✓	
4. CASH AND CASH EQUIVALENT		3 300✓
Petty cash	2 540✓	
Cash float	740✓	
5. CAPITAL		1 130 990✓
Balance at the beginning of the year	1 021 900✓	
Plus net profit	178 490✓	
	1 200 390✓	
Less: Drawings	-69 400✓	
6. TRADE AND OTHER PAYABLE		75 900✓
Creditors control	75 900✓	

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TOTAL: 200

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