higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N750**(E)**(J6)H

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

(4010154)

6 June 2019 (X-Paper)
09:00–12:00

Calculators may be used.

This question paper consists of 8 pages and an ANSWER BOOK of 12 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 in the ANSWER BOOK.
2. Read ALL the questions carefully.
3. Write your CENTRE NUMBER and EXAMINATION NUMBER on ALL the pages of the ANSWER BOOK.
4. Only BLACK or BLUE pens may be used.
5. Tip-Ex may NOT be used.
6. Write neatly and legibly.

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QUESTION 1 (36 minutes)

The following information is given with regard to two employees of KAPEPULA FISH MARKET.

REQUIRED:

Use the information below and complete the wage journal of KAPEPULA FISH MARKET for the week ended 30 July 2017.

NOTE:
- ALL calculations must be rounded off to the nearest rand.
- Close off the journal.

INFORMATION:

- The normal working hours are 45 hours for a week consisting of 5 days. Monday to Friday 9 hours per day.
- Bazile worked 9 hours on Monday, 11 hours on Tuesday, 12 hours on Wednesday, 18 hours on Thursday and on Friday he arranged with his supervisor to use the Thursday's overtime for Friday, as he had to accompany his son to extra-mural activities at his school. (R46 per hour for normal time and R69 per hour for overtime)
- Timbale worked 11 hours on Monday, 13 hours on Tuesday, 9 hours on Wednesday and 8 hours on Thursday. On Friday he stayed home. (R26 per hour normal time and R39 per hour overtime)

- Deductions:

Employees	Dependants	Medical Aid Fund	Pension Fund	PAYE	UIF
Bazile Timbale	1 2	R450 for the member and R225 for each dependant	8,5% of normal wage	25% of gross wage after pension has been taken into account	1% of normal wage

- Employer's contribution:

Pension fund – 72,5% of the contribution of the employee
UIF – R92,75 for each R92,75 contributed by the employee **[42]**

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QUESTION 2 (34 minutes)

The information below appeared in the books of KAPEPULA FISH MARKET.

REQUIRED:

2.1 Make the supplementary entries in the cash book on 31 July 2017. Close off and balance the cash book on 31 July 2017. (29)

2.2 Prepare the bank reconciliation statement on 31 July 2017. (10)

INFORMATION:

1.1 The cash book had a debit balance of R89 700 on 1 July 2017.

1.2 A comparison of the bank statement with the cash book on 31 July 2017 revealed the following differences:

1.2.1 The bank statement from Alice Bank showed a credit balance of R154 000.

1.2.2 The following cheques were not yet presented for payment on 31 July 2017:

No. 40	R23 000
No. 41	R67 000
No. 47	R82 990

1.2.3 Cheque no. 42 to the value of R86 000, was sent to Ocean Fish as payment of the account that was stale and had to be cancelled. A new cheque would be issued to them.

1.2.4 A cheque to the value of R178 485, withdrawn by Kapepula Fish Market from their current account, appeared on the business bank statement.

1.2.5 Alice bank had debited the current account of Kapepula Fish Market with the following amounts:

Cash deposit fees	R850
Credit card fees	R930
Service fees	R740
Tax levies	R1 830
Interest on debit balance	R2 000

1.2.6 A credit entry of R56 600 was in respect of a deposit that Kapepula Fish Market made directly in their account, but it appeared in the business bank statement.

1.2.7 The bank statement showed a debit order of R90 300 in favour of Eskom as payment of the business' monthly electricity bill.

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1.2.8 A deposit of R90 000, which was made on 30 July 2017 did not appear on the bank statement.

1.2.9 The bank statement showed a monthly stop order of R6 000 in favour of Shoes City. This was to pay the owner's shoes account.

1.2.10 Baccarat deposited R90 700 directly into the current account of the business in payment of his account.

1.2.11 A cheque of R42 850, received from a debtor, Cagoule, was dishonoured by the bank due to insufficient funds.

1.2.12 An EFT of R72 985 was made into the business' current account. It was revealed that it was the maturity of a fixed deposit at Alice Bank.

1.2.13 Cheque no. 43 was incorrectly entered in the cash payments journal as R6 970 instead of R7 960.The cheque was issued to Vodacom.

[39]

QUESTION 3 (65 minutes)

The following transactions occurred in the books of KAPEPULA FISH MARKET during July 2017.

REQUIRED:

3.1 Enter the transactions in the following journals:

3.1.1 Cash receipts journal (23)

3.1.2 Cash payments journal (28)

3.1.3 Petty cash journal (13)

3.2 Close off only the petty cash journal at the end of July 2017 and post to the general ledger account. (7)

ADDITIONAL INFORMATION:

- Money is deposited on 2, 5, 9, 12, 14, 16 and 31 July 2017.
- The owner decided to use the imprest system.

TRANSACTIONS:

July 2017

1 An amount of R9 300 was given to the chief cashier as an advance. Cheque no. 600 was issued.

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2 Received R2 400 from Fish Fetish for discount, receipt no. 200.

3 Paid water and electricity, R89 200 to North municipality, cheque no. 601.

4. Bought cold drink for a regular customer, R850. Petty-cash voucher no. 011.

5 Received R3 000 from Fish and Chips for commission on spices sold, receipt no. 201.

6 Bought a Toyota Fortuna from Redeny Motors and paid R760 000, cheque no. 602.

7 Paid a total of R3 450 for fuel, cheque no. 603.

8 Paid Canon R650 for cartridge. Petty-cash voucher no. 012.

9 Bought calamari, baby hake and prawns for R29 000 from Ocean Fish Market, cheque no. 604.

9 Cash sales according to the total of the cash register roll, R54 290.

10 Bought stamps, R93. Petty cash voucher no. 013.

11 Withdrew R1 586 for petty cash, cheque no. 605.

12 The owner, Kapepula decided to invest R125 000 in the business as his capital contribution, receipt no. 202.

14 Cash sales according to the total of the cash register roll, R245 800.

16 Received merchandise for R112 700 from Portico Fish Ltd, cheque no. 606.

16 The owner, Kapepula decided to increase his capital by 40% on the invested amount. (He already invested R125 000 in the business.) Receipt no. 203.

17 An amount of R1 000 was given to the chief cashier. Cheque no. 607 was issued.

18 Paid R728 to Lock Smith for replacement of the owner's house key. Petty-cash voucher no. 014.

20 Cash sales according to the total of the cash register roll, R148 150.

21 Paid R2 800 to Canon for cartridge, cheque no. 608.

23 Bought a new business truck, R640 985 from Scania Trucks, cheque no. 609.

24 Drew cheque no. 610 for R42 000 in favour of Atlanta Fishery for tilapia and tuna fishes.

25 Received a cheque from Slayer, a debtor to pay his account of R972. Receipt no. 204.

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27 The owner, Kapepula withdrew cash of R2 100 for personal use, cheque no. 611.

28 The owner withdrew R195 to buy chocolates for his wife. Petty cash voucher no. 015.

29 Paid Macron Ltd for candles and matches, R170. Petty cash voucher no. 016.

30 Donated R45 900 to Churchill foundation, cheque no. 612.

31 A direct deposit of R854 was made in the business current account by Kristen, a debtor for her outstanding balance. Receipt no. 205.

31 The petty cashier received an amount from the chief cashier to restore the imprest. Cheque no. 613.

[71]

QUESTION 4 (45 minutes)

The trial balance below appeared in the books of KAPEPULA FISH MARKET on 31 July 2017.

REQUIRED:

4.1 Draw up the income statement of KAPEPULA FISH MARKET on 31 July 2017. (23)

4.2 Draw up the balance sheet for the year ended on 31 July 2017. (Show only the assets section.) (7)

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4.3 Show ALL the notes to the balance sheet.

TRIAL BALANCE OF KAPEPULA FISH MARKET ON 31 JULY 2017

BALANCE SHEET SECTION	DEBIT	CREDIT
Capital		1 021 900
Drawings	69 400	
Land and buildings	232 100	
Equipment	524 000	
Vehicles	81 760	
Trading stock (1 August 2016)	64 240	
Debtors control	56 900	
Bank		67 800
Petty cash	2 540	
Cash float	760	
Creditors control		36 100
Loan: Back Lays bank (16%)		75 900
NOMINAL ACCOUNT SECTION		
Sales		980 000
Purchases	700 000	
Carriage on purchases	24 000	
Carriage on sales	28 660	
Rent income		65 000
Wages and salaries	530 340	
Custom duties	30 000	
Interest income		63 000
Commission received		52 000
Discount allowed	2 100	
Licences	2 400	
Interest paid	5 500	
Cleaning materials	4 450	
Bank charges	2 550	
	2 361 700	**2 361 700**

(18)

ADDITIONAL INFORMATION:

The merchandise was valued at R412 730 after a physical stocktaking on 31 July 2017.

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TOTAL: 200

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