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higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N670(E)(N20)H
NOVEMBER EXAMINATION

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

(4010154)

20 November 2013 (X-Paper)
09:00–12:00

Calculators may be used.

This question paper consists of 8 pages and a 12-page answer book.

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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. Write neatly and legibly.

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QUESTION 1

Use the following information and complete the WAGE JOURNAL of PANDA, for the week ended on 13 July 2013.

NOTE: ALL CALCULATIONS MUST BE ROUNDED OFF TO THE NEAREST RAND. DON'T CLOSE OFF THE JOURNAL.

INFORMATION:

- The normal hours are 45 hours for a week consisting of 6 days. Mondays to Fridays 8 hours per day and Saturdays 5 hours.
- P. Duminy worked on Monday 8 hours, Tuesday 8 hours, Wednesday 12 hours, Thursday 9 hours, Friday 8 hours and Saturday 7 hours.
- E. Motsabi worked on Monday 9 hours, Tuesday 8 hours, Wednesday 10 hours, Thursday 8 hours, Friday 8 hours and on Saturday 8 hours.
- Deductions:

Employee	Depen-dants	Medical aid fund	Pension fund	PAYE	UIF
P. Duminy E. Motsabi	1 2	R130 for the member and R80 for each dependant	7,5% of normal wage	20% 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 – 70% of the contribution of the employee
UIF – R2,00 for each R1,00 contributed by the employee **[26]**

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QUESTION 2

Use the information obtained from the books of Blue Moonlight to complete the following:

2.1 Make the SUPPLEMENTARY ENTRIES in the Cash book on 30 June 2013. Close off the Cash book on 30 June 2013.

2.2 Prepare the BANK RECONCILIATION STATEMENT on 30 June 2013.

INFORMATION:

1. The Cashbook had a debit balance of R60 400 on 1 June 2013.

2. A comparison of the bank statement with the Cash book on 30 June 2013 revealed the following differences:

2.1 The bank statement showed a credit balance of R79 200.

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

No. 650	R 4 200
No. 675	R32 900
No. 681	R 6 400

2.3 Cheque no. 591 to the value of R20 000, was sent to Makro 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 R11 100, withdrawn by the owner out of his personal current account, appears on the business bank statement.

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

Cost of a cheque book	R 70
Service fees	R1 630
Tax levies	R 200
Interest on overdraft	R 400

2.6 A credit entry of R15 000 was in respect of a deposit that Blue Star made directly on their account, but it appeared on the business bank statement.

2.7 The bank statement showed a debit order of R4 500 in favour of MTN as payment of the cell phone account of the business.

2.8 The bank had not yet credited a deposit of R45 600, which was made on 30 June 2013.

2.9 The bank statement showed a monthly stop order for R3 000 in favour of Saffas. This was to pay the owner's funeral policy.

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2.10 Z. Havenga deposited R10 500 directly into the current account of the business in payment of his account.

2.11 A cheque of R3 700, received from a debtor, R. Kasselman, had been dishonoured on account of insufficient funds. **[43]**

QUESTION 3

The following transactions occurred in the books of Ellies Electric during October 2013.

REQUIRED:

Enter the transactions in the Cash receipts journal, Cash payments journal and Petty cash journal. Don't close off the journals at the end of the month.

ADDITIONAL INFORMATION:

Money is deposited on 5, 12, 22 and 29 October 2013.

TRANSACTIONS:

October 2013:

1 Buy electric cables from Power and pay R45 200 by cheque no. 846.

2 Cash sales according to the total of the cash register roll R69 100.

3 Buy pens from PNA, R80. Petty cash voucher 200 is issued.

5 Received from Investors R5 600 for interest on a fixed deposit. Receipt 927 is issued.

7 Buy shelves from Builders and pay R7 500 by cheque no. 847.

8 Withdraw R5 000 by cheque no. 848. This will be used to pay temporary workers.

9 Cash sales according to the total of the cash register roll R52 300.

11 Buy stamps and pay R40. Petty cash voucher 201 is issued.

12 The owner, J. Kotze, gives a cheque of R90 000 to increase his capital. Receipt 928 is issued.

Send cheque no. 849 to Phillips as partial payment of our account, R18 500.

13 Draw a cash cheque no. 850 to adjust the petty cash, R700.

14 Buy dust cloths from PEP, R90. Petty cash voucher 202 is issued.

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17 Pay GM Motors R60 000 by cheque no. 851 for a delivery motorcycle.

18 Cash sales according to the total of the cash register roll, R120 400.

19 Receive a cheque of R3 300 from T. Mooi in settlement of his account. Receipt 929 is issued.

20 Donate R700 to Gideon Bibles. Petty cash voucher 203 is issued.

21 Pay the owner's personal clothing account to Edgars by cheque no. 852, R900.

22 Cash sales according to the total of the cash register roll, R88 100.

23 Pay Dulux for paint to repaint the store room by cheque no. 853, R6 900.

24 Pay Total for the fuel of the motorcycle, R200. Petty cash voucher 204 is issued.

25 Buy plugs for R9 900 from HD Suppliers and pay by cheque no. 854.

26 Receive R5 500 from Ellers for commission on products sold. Receipt 930 is issued.

27 Issue cheque no. 855 to Prince Packaging in payment of bags, R2 300.

28 Buy flowers for reception, R180. Petty cash voucher 205 is issued.

29 Receive R9 700 from H. de Wet for the renting of sport equipment. Receipt 931 is issued.

30 Pay ESKOM by cheque no. 856, R10 600.

31 Buy ice cream for J. Kotze's kids, R50. Petty cash voucher 206 is issued. **[74]**

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QUESTION 4

You are requested to draft the Petty Cash Account for September 2013 in the books of Wippie & Snippie.

The following information is given:

4.1 An imprest amount of R1 200 is kept in the petty cash.

4.2 The balance of the petty cash account on 1 September 2013 was R400.

4.3 On 2 September 2013 you received an amount from the cashier to reimburse the imprest amount.

4.4 You received R700 from the cashier on 19 September 2013.

4.5 The total of the petty cash payments amounted to R1 600 during September 2013.

4.6 You received an amount from the chief cashier on 30 September 2013 to reimburse the imprest amount.

4.7 Balance the petty cash account on 30 September 2013. **[14]**

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QUESTION 5

The following Trial Balance appeared in the books of Bona Bona on 30 November 2013.

REQUIRED:

5.1 Draw up the INCOME STATEMENT for the year ended on 30 November 2013. (22)

5.2 Draw up the BALANCE SHEET for the year ended 30 November 2013. (7)

5.3 Show the NOTES to the Balance sheet. (14)

TRIAL BALANCE OF BONA BONA ON 30 NOVEMBER 2013

BALANCE SHEET SECTION	DEBIT	CREDIT
Capital		1 558 900
Drawings	99 200	
Land and buildings	800 000	
Equipment	367 300	
Vehicles	444 000	
Trading stock (1 December 2012)	200 400	
Debtors control	82 800	
Bank	79 200	
Petty cash	1 500	
Cash float	800	
Creditors control		57 900
Loan: New Bank (12%)		400 000
NOMINAL ACCOUNT SECTION		
Sales		875 100
Purchases	486 600	
Carriage on purchases	13 700	
Carriage on sales	18 600	
Commission received		12 500
Salaries	250 900	
Custom duties	12 800	
Rent received		80 000
Accounting fees	25 100	
Water and electricity	63 200	
Training cost	19 300	
Interest received		14 400
Insurance	33 400	
	2 998 800	2 998 800

ADDITIONAL INFORMATION:

The merchandise was valued at R235 000 after a physical stocktaking on 30 November 2013.

[43]

TOTAL: 200

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