higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N670(**E**)(N26)H

NOVEMBER EXAMINATION

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

(4010154)

26 November 2014 (X-Paper)
09:00–12:00

Calculators may be used.

BUSINESS STUDIES

This question paper consists of 7 pages and an answer book of 8 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. All questions must be answered on the attached answer sheet.
4. Number the answers according to the numbering system used in this question paper.
5. Only blue or black pens may be used, NO red or green ink.
6. Write neatly and legibly.

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QUESTION 1

Use the following information and complete the WAGE JOURNAL of OBARO, for the week ended on 12 September 2014.

NOTE: ALL CALCULATIONS MUST BE ROUNDED OFF TO THE NEAREST RAND. DO NOT CLOSE OFF THE JOURNAL.

INFORMATION:

- Normal hours are 40 hours for a week consisting of 6 days: Mondays to Fridays 7 hours per day and Saturdays 5 hours.
- S Barnard worked: Monday – 7 hours, Tuesday – 7 hours, Wednesday – 10 hours, Thursday – 8 hours, Friday – 9 hours. She applied for leave for Saturday.
- G Marais worked: Monday – 6 hours, Tuesday – 9 hours, Thursday – 8 hours, Friday – 7 hours and Saturday – 5 hours. On Wednesday she went to her mother's funeral.
- Deductions:

EMPLOYEE	DEPEN-DANTS	MEDICAL AID FUND	PENSION FUND	PAYE	UIF
S Barnard G Marais	3 1	R200 for the member and R60 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 – 66% of the contribution of the employee
UIF – R2.00 for each R1.00 contributed by the employee **[24]**

QUESTION 2

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

2.1 Make the SUPPLEMENTARY ENTRIES in the Cash Book on 31 August 2014. Close off the Cash Book on 31 August 2014.

2.2 Prepare the BANK RECONCILIATION STATEMENT on 31 August 2014.

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INFORMATION:

1. The cashbook had a debit balance of R168 500 on 31 August 2014.

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

2.1 The bank statement showed a credit balance of R158 000.

2.2 A credit entry of R9 000 was in respect of a deposit that the owner made directly on his account, but it appeared on the business bank statement.

2.3 The bank had not yet credited a deposit of R40 500, which was made on 31 August 2014.

2.4 The bank statement showed a monthly stop order for R6 000 in favour of Lubners. This was for chairs that the business bought on credit from them.

2.5 Cheque no. 445 to the value of R4 000, was sent to Caltex as payment for fuel. It got lost in the post and must be cancelled. A new cheque will be posted.

2.6 The bank statement showed a debit order of R8 500 in favour of Santam as payment of business monthly fire insurance.

2.7 G Blom deposited R8 000 directly into the current account of the business in payment for the renting of equipment.

2.8 A cheque to the value of R13 500 withdrawn by G Rossouw, out of his current account, appears on the business bank statement.

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

No. 689	R 9 500
No. 690	R36 000
No. 692	R1 500

2.10 A cheque of R7 500, received from a debtor, O Kotze, had been dishonoured on account of insufficient funds.

2.11 The bank had debited the current account of Rossgro with the following amounts:

Cost of a cheque book	R 120
Service fees	R1 380
Tax levies	R 250
Interest on overdraft	R 750

[46]

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QUESTION 3

The following transactions occurred in the books of EVERGREEN NURSERY during July 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 6, 10, 19 and 31 July 2014.

TRANSACTIONS:

July 2014:

1 Buy a mirror for the restroom, R150. Petty cash voucher 140 is issued.

2 Buy the stand next to the business from Seefs and pay R450 000 by cheque no. 555.

3 Cash sales according to the total of the cash register roll R86 000.

4 Buy garden ornaments from Meyer Beton and pay R32 000 by cheque 556.

6 Receive R6 000 from J Basson for the renting of plants for a function. Receipt 201 is issued.

7 Pay Malans, a creditor, R10 000 by cheque no. 557.

8 Cash sales according to the total of the cash register roll R92 000.

9 Buy brooms, R120. Petty cash voucher 141 is issued.

10 Receive a cheque of R9 000 from S Setsetse in settlement of his account. Receipt 202 is issued.

11 Send cheque no. 558 to De Wilgers for trees bought, R18 000.

13 Draw a cash cheque no. 559 to pay the weekly wages, R14 000.

14 Buy coffee, R80. Petty cash voucher 142 is issued.

16 Pay Salm R40 000 by cheque no. 560 for trollies.

17 Cash sales according to the total of the cash register roll, R119 000.

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19 Buy cake for the owner's children, R90. Petty cash voucher 143 is issued

The owner, F Visagie, gives a cheque of R200 000 to increase his capital. Receipt 203 is issued.

20 Donate R200 to CANSA. Petty cash voucher 144 is issued

21 Pay Ludwigs for rose trees by cheque no. 561, R21 000.

22 Receive R7 000 from Hedco for commission on products sold. Receipt 204 is issued.

23 Pay Vaal Printer for invoice books, R5 000, by cheque no. 562

24 Pay Dulux for painting of the show room, R8 000, by cheque no. 563.

26 Pay A Jacobs her salary, R16 000, by cheque no. 564.

27 Buy dishwashing liquid, R30. Petty cash voucher 145 is issued.

28 Issue cheque no. 565 to Mega for new shelves, R33 000.

30 Received from Mooiman R2 000 for interest on money borrowed to him. Receipt 205 is issued.

31 Pay the gardener his daily wage, R150. Petty cash voucher 146 is issued.

[68]

QUESTION 4

You are requested to draft the Petty Cash Account for September 2014 in the books of GRANDS.

The following information was given:

4.1 An imprest amount of R2 000 is kept in the petty cash.

4.2 The balance of the petty cash account on 1 September 2014 was R500.

4.3 On 2 September 2014 you received an amount from the cashier to reimburse the imprest amount.

4.4 You received R800 from the cashier on 14 September 2014.

4.5 The total of the petty cash payments amounted to R2 200 during September 2014.

4.6 You received an amount from the chief cashier on 30 September 2014 to reimburse the imprest amount.

4.7 Balance the petty cash account on 30 September 2014.

[14]

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QUESTION 5

The following trial balance appeared in the books of DRYCHEM on 31 October 2014.

REQUIRED:

5.1 Draw up the INCOME STATEMENT for the year ended on 31 October 2014.

5.2 Draw up the BALANCE SHEET for the year ended 31 October 2014.

5.3 Show the NOTES to the Balance Sheet.

TRIAL BALANCE OF DRYCHEM ON 31 OCTOBER 2014.

BALANCE SHEET SECTION	DEBIT	CREDIT
Capital		1 650 000
Drawings	320 000	
Land and buildings	1 580 000	
Equipment	630 000	
Vehicles	740 000	
Trading stock (1 November 2013)	460 000	
Debtors control	120 000	
Bank		160 000
Petty cash	3 000	
Cash float	1 000	
Creditors control		99 000
Loan: Newlands Bank (10%)		1 000 000
NOMINAL ACCOUNT SECTION		
Sales		2 300 000
Purchases	980 000	
Carriage on purchases	20 000	
Carriage on sales	25 000	
Commission received		70 000
Salaries	316 000	
Custom duties	32 000	
Rent received		240 000
Telephone	34 000	
Rent paid	60 000	
Electricity	150 000	
Interest received		41 000
Fuel	77 000	
Stationery	12 000	
	5 560 000	5 560 000

ADDITIONAL INFORMATION:

The merchandise was valued at R580 000 after a physical stocktaking on 31 October 2014. **[48]**

TOTAL: 200

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ANSWER BOOK

EXAMINATION NUMBER:											

QUESTION/VRAAG 2.1

CASH BOOK OF ROSSGRO - AUGUST 2014

KASBOEK VAN ROSSGRO - AUGUSTUS 2014

CB/KB8

Debit side/Debietkant

DOC / DOK	DAY / DAG	DETAILS / BESONDERHEDE	FOL	SUNDRY ACCOUNTS / DIVERSE REKENINGE			RENT RECEIVED / HUUR ONTVANG	FUEL / BRANDSTOF	ANALYSIS OF RECEIPTS / ONTLEDING VAN ONTVANGSTES	BANK
				DETAILS / BESONDERHEDE	FOL	AMOUNT / BEDRAG				

Krediet kant/Credit side

DOC / DOK	DAY / DAG	PAYEE / BEGUNSTIGDE	FOL	SUNDRY ACCOUNTS / DIVERSE REKENINGE			DEBTORS CONTROL / DEBITEURE KONTROLE	CREDITORS CONTROL / KREDITEURE-KONTROLE	INSURANCE / VERSEKERING	BANK
				DETAILS / BESONDERHEDE	FOL	AMOUNT / BEDRAG				

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EXAMINATION NUMBER:												

VRAAG / QUESTION 2.2

BANK RECONCILIATION STATEMENT OF ROSSGRO AT 31 AUGUST 2014

BANKVERSOENINGSTAAT VAN ROSSGRO SOOS OP 31 AUGUST 2014

BESONDERHEDE DETAILS	DEBIET DEBIT	KREDIET CREDIT

BUSA

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EXAMINATION NUMBER:											

BUSINESS

QUESTION/VRAAG 3

CASH RECEIPT JOURNAL OF EVERGREEN NURSERY - JULY 2014

KONTANTONTVANGSTEJOERNAAL VAN EVERGREEN KWEKERY APTEEK - JULY 2014

CRJ/KOJ 7

DOC / DOK	DAY / DAG	DETAILS / BESONDERHEDE	FOL	SUNDRY ACCOUNTS / DIVERSE REKENINGE			SALES / VERKOPE	DEBTORS CONTROL / DEBITEURE-KONTROLE	ANALYSIS OF RECEIPTS / ONTLEDING VAN ONTVANGSTES	BANK
				DETAILS / BESONDERHEDE	FOL	AMOUNT / BEDRAG				

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BUSINESS

QUESTION/VRAAG 3

CASH PAYMENT JOURNAL OF EVERGREEN NURSERY - JULY 2014

KONTANTBETALINGSJOERNAAL VAN EVERGREEN KWEKERY- JULY 2014

CPJ/KBJ 7

DOC DAY / DOK DAG	PAYEE / BEGUNSTIGDE	FOL	SUNDRY ACCOUNTS / DIVERSE REKENINGE			PURCHASES / AANKOPE	SALARIES & WAGES / SALARISSE & LONE	EQUIPMENT / TOERUSTING	BANK
			DETAILS / BESONDERHEDE	FOL	AMOUNT / BEDRAG				

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BUSINESS

QUESTION/VRAAG 3

PETTY CASH JOURNAL OF EVERGREEN NURSERY - JULY 2014

KLEINKASJOERNAAL VAN EVERGREEN KWEKERY - JULY 2014

PCJ/KKJ 7

DAG / DAY	BESONDERHEDE / DETAILS	DOK / DOC	TOTAAL / TOTAL	CLEANING-COST / SKOONMAAK-KOSTE	SUNDRY EXPENSES / DIVERSE UITGAWES	DIVERSE REKENINGE / SUNDRY ACCOUNTS			
						BEDRAG / AMOUNT	FOL	BESONDERHEDE / DETAILS	

EXAMINATION NUMBER:												

BUSINESS

VRAAG / QUESTION 4

GENERAL LEDGER OF GRANDS
ALGEMENE GROOTBOEK VAN GRANDS

BALANCE SHEET SECTION
BALANSSTAATAFDELING

B7

PETTY CASH

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EXAMINATION NUMBER:												

QUESTION / VRAAG 5.1

INCOME STATEMENT OF DRYCHEM FOR THE YEAR ENDED 31 OCTOBER 2014

INKOMSTESTAAT VAN DRYCHEM VIR DIE JAAR GEëINDIG 31 OKTOBER 2014

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EXAMINATION NUMBER:													

QUESTION/VRAAG 5.2

BALANCE SHEET OF DRYCHEM IN 31 OCTOBER 2014

BALANSSTAAT VAN DRYCHEM SOOS OP 31 OKTOBER 2014

	NOTAS NOTES		
NON-CURRENT LIABILITIES/NIE-BEDRYFSLASTE			1 000 000
Interest bearing liabilities/Rentedraende lenings		1 000 000	