higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

N740**(E)**(N23)H

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

(4010154)

23 November 2018 (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.
2. Read ALL the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Use only BLUE or BLACK ink.
5. Use the attached ANSWER BOOK to answer the questions
6. Write neatly and legibly.

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QUESTION 1 (33 minutes)

Use the following information and complete the wage journal of GUNJAN TRADERS, for the week ended 14 January 2017.

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

INFORMATION:

- The normal hours are 40 hours for a week consisting of 6 days. Mondays to Fridays 7 hours per day and 5 hours on Saturday.
- Mayans worked on Monday 6 hours, Tuesday 8 hours, Wednesday 5 hours, Thursday 7 hours, and Friday 10 hours and on Saturday he stayed home with no valid reason. (R34 per hour for normal time, and R38 per hour for overtime)
- Malay worked on Monday 7 hours, on Tuesday 9 hours, Wednesday 12 hours, and Thursday 10 hours, on Friday he attended her sister's funeral and on Saturday he arranged with Gunjan to use Wednesday's extra-hours for Saturday. (R51 per hour normal time, and R57 per hour overtime)
- Deductions:

Employees	Dependants	Medical Aid Fund	Pension Fund	PAYE	UIF
Mayans Malay	1 2	R190 for the member and R125 for each dependant	7,75% of normal wage	25% of gross wage after pension has been taken into account	1% of Gross wage

Employer's contribution:

Pension Fund – 52.65% of the contribution of the employee
UIF – R2.75 0 for each R1.85 contributed by the employee

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QUESTION 2 (34 minutes)

The information below appeared in the books of RACHNA TRADERS.

- Make the supplementary entries in the cash book on 30 January 2017. Close off and balance the cash book on 30 January 2017.
- Prepare the bank reconciliation statement on 30 January 2017.

INFORMATION:

1. The cash book had a credit balance of R68 400 on 1 January 2017.
2. A comparison of the bank statement with the cash book on 30 January 2017 revealed the following differences:

2.1 The bank statement from Absa Bank showed a debit balance of R325 600.

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

No. 321	R15 000
No. 322	R16 300
No. 323	R17 550

2.3 Cheque no. 103 to the value of R28 100, was sent to Eskom as payment of our account. It got lost in the post and must be cancelled. A new cheque will be posted on the Fourth of February 2017.

2.4 A cheque to the value of R161 988, withdrawn by Rashaan Ltd, out of their current account appears on the business bank statement.

2.5 Absa bank had debited the current account of Rachna with the following amounts:

Cost of a cheque book	R800
Service fees	R700
Tax levies	R2 119
Interest on overdraft	R2 830

2.6 A credit entry of R32 680 was in respect of a deposit that Ranchman Traders made directly on their account, but it appeared on the business bank statement.

2.7 The bank statement showed two debit order of R23 900 in favour of Bijou insurer as payment of the business monthly insurance and R9 785 in favour of Cell-C.

2.8 The bank had not yet credited a deposit of R170 888, which was made on 30 January 2017.

2.9 The bank statement showed a monthly stop order for R4 020 in favour of Foschini, this was to pay the owner's shoes account.

2.10 Vida deposited R12 400 directly into the current account of the business in payment of her account.

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2.11 A cheque of R38 165, received from a debtor, Junior, had been dishonoured on account of insufficient funds.

2.12 Absa bank credited the current account of Rachna with an amount of R35 965 for a fixed deposit that matured.

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QUESTION 3 (75 minutes)

The following transactions occurred in the books of MANGOUSTA FRUITS during the month of January 2017.

REQUIRED:

Enter the transactions in the cash receipts -, cash payments- and petty cash journal. Close off only the Petty cash journal at the end of January 2017 and Post to the general ledger account.

ADDITIONAL INFORMATION:

Money is deposited on 8, 18, 22 and 31 January 2017.
The owner decided to use the system of varying balances.

TRANSANCTIONS:

January 2017:

1 The petty cashier received R2 000 from the chief Cashier. Cheque no. 710

2 Received R6980 from Fruitree Guava for rental of a juice maker. Receipt no. 20

3 Paid water and electricity R75 400 to Mangaung municipality by cheque no. 711

4 Bought fruits not in stock for a special customer, R404. Petty-cash voucher no. 001

5 Received R9 000 for discount on fruits bought from Akash fruits and Juice. Receipt no. 21

6 Bought a Bakkie from Nissan and pay R440 660 by cheque no. 712

7 Paid the traffic department R1 460 for licence. cheque no. 713

8 Cash sales according to the total of the cash register roll R84 550.

10 Paid CAN R195 for staples. Petty-cash voucher no. 002

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11 The owner, Mangousta, contributed R860 000 to increase his capital. Receipt no. 22

12 Sent cheque no. 714 to Multi Fruits as partial payment of our account, R50 420.

13 Drew a cheque no. 715 to pay Fruits market for boxes of mangoes, guavas and apples bought (R147 000 for all the boxes)

15 Paid postage for insured parcel, R429. Petty cash voucher no.003

16 Paid Indian fruits market R95 800 by cheque no. 716 for boxes of pineapples, avocados and bananas bought.

18 Cash sales according to the total of the cash register roll, R237 000.

19 Received a cheque of R45 930 from Bulbul in settlement of her debt according to duplicate Receipt no. 23

20 Donated R58 000 to Biju's orphanage, by cheque no. 717.

21 Paid R276 to Delta for repairs to printer. Petty-cash voucher no. 004

22 Cash sales according to the total of the cash register roll, R64 800.

23 Paid R14 100 to Makro for cartridge by cheque no. 718

24 Paid, R32 640 to Dunlop for the new tyres of the business truck. Cheque no. 719.

25 Bought Watermelons, Peaches and oranges for R106 800 from Serdine Fruits Ltd and pay by cheque no. 720

26 Received R73 500 from ABSA Bank for interest on fixed deposit. Receipt no. 24

27 Issued cheque no. 721 to Incredible Connection for a new computer, R34 900

28 The owner withdrew R345 to buy Air-time for himself. petty cash voucher no. 005

29 Paid Jumbo for soap and duster, R170 Petty cash voucher no.006

30 Paid Spend wise for tissues, R390. Petty cash voucher no.007

31 Received R90 770 from Diel fruits traders for commission on product sold. Receipt no.25 The petty cashier received R1 745 from the chief Cashier. Cheque no. 722

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QUESTION 4 (38 minutes)

The following trial balance appeared in the books of KARIBU KUMEZA on 30 January 2017.

REQUIRED:

4.1 Provide the following calculations and details for KARIBU KUMEZA:

4.1.1 Cost of Sales. (8)

4.1.2 Gross Profit/Loss for the year. (3)

4.1.3 Gross Income for the year. (4)

4.1.4 Operating Expenses for the year. (7)

4.1.5 Net profit/Net Loss for the year. (1)

4.2 Draw up the balance sheet for the year ended on 30 January 2017 (show only the Liabilities Section) (4)

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4.3 Show the notes to the balance sheet.

TRAIL BALANCE OF KARIBU KUMEZA ON 30 JANUARY 2017

BALANCE SHEET SECTION	DEBIT	CREDIT
Capital		382 800
Drawings	17 000	
Land and Buildings	141 300	
Equipment	123 550	
Vehicles	91 250	
Trading stock (1 February 2016)	51 300	
Debtors control	43 700	
Bank		57 300
Petty cash	1 155	
Cash float	945	
Creditors control		35 400
Loan: Kamba Bank (11%)		22 160
NOMINAL ACCOUNT SECTION		
Sales		773 540
Purchases	605 000	
Carriage on Purchases	17 110	
Carriage on Sales	18 500	
Rent income		87 000
Wages and Salaries	258 440	
Custom duties	22 560	
Interest on the fixed deposit		33 300
Discount received		21 500
Interest on the overdraft	1 890	
Fuel and oil	4 600	
Import tax	9 700	
Consumable stores	3 700	
Vehicle expense	1 300	
	1 413 000	**1 413 000**

ADDITIONAL INFORMATION:

The merchandise was valued at R 97 190 after a physical stocktaking on 30 January 2017. (14)
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TOTAL: 200

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