higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

INTRODUCTORY ACCOUNTING N4

26 NOVEMBER 2019

This marking guideline consists of 12 pages.

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Remember: If you have to make the decision for the student, he/she does NOT get any marks. If the accounting principle is correct, do not penalise the student more than once for a mistake.

QUESTION 1

1.1 Minus half a mark (½) for each balance sheet item that appeared in trading account and profit and loss account.

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

1.3 If the amount is correct and details is wrong, NO marks. Vice versa.

1.4 If the account name/headings is not in line with the correct account, NO marks.

1.5 Minus half a mark (-½) for each income statement item that appeared in the balance sheet and notes.

QUESTION 2

2.1 Less TWO marks if not rounded to the nearest rand (even if there is only one amount that is not rounded). Then you work with the cents, and make sure it is correct.

2.2 Less TWO marks if tipex is used.

2.3 Don't penalise the student more than once for a mistake.

QUESTION 3

3.1 If the student wrote the amount in more than ONE column, NO marks.

3.2 If the student wrote under sundry account the correct account, but he/she wrote the amount under the wrong column, NO marks.

3.3 If the transactions are in more than one place (for example in the petty cash journal, cash receipt journal, and the cash payment journal), NO marks.

3.4 Bank deposit must be in line with the correct date.

3.5 Must be commission received, rent received, discount received (not commission, rent and discount), capital (not capital contribution), etc.

3.6 If the document number is left out, minus ONE (-1) in each journal.

3.7 In the cash receipt journal, mark the analysis of the receipt column together with the details column.

3.8 In the cash payment journal, mark the bank column together with the payee column.

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3.9 In the petty cash journal, the details columns are marked together with total column.

3.10 If one of the folio's number is left out or wrong in the petty cash account, minus ONE (-1) mark.

3.11 In the petty cash account, the details column are marked together with the amount column.

QUESTION 4

4.1 If the student wrote under sundry account the correct account, but he/she wrote the amount under the wrong column, NO marks.

4.2 If the transactions are in more than one place (for example in the bank reconciliation, cash receipts, cash payment journals), NO marks.

4.3 If there is an amount under analysis of receipts, minus TWO (-2) marks.

4.4 If the details of the bank reconciliation are wrong, only ONE (1) mark for the amount if it is in the correct column.

4.5 In the cash receipts journal, mark the bank column together with the details column.

4.6 In the cash payment journal, mark the bank column together with payee (beneficiary) column.

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QUESTION 1

1.1 **GENERAL LEDGER OF OMEGA DESIGN 30 OCTOBER 2017**

TRADING ACCOUNT

DATE	DETAILS	FOL.	AMOUNT	DATE	DETAILS	FOL.	AMOUNT
2017 OCT 30	Opening stock	J1	✓69 000	2017 OCT 30	Sales	J1	✓✓998 500
	Purchases	J1	✓419 700				
	Carriage on purchases	J1	✓6 300				
	Import taxes	J1	✓6 250				
	Gross profit		✓694 940		Closing stock	J1	✓197 690
			✓1 196 190				**✓1 196 190**

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GENERAL LEDGER OF OMEGA DESIGN OCTOBER 2017

PROFIT AND LOSS ACCOUNT

DATE	DETAILS	FOL.	AMOUNT	DATE	DETAILS	FOL.	AMOUNT
2017 OCT 30	Carriage on sales	J1	✓9 000	2017 OCT 30	Trading account	J1	✓694 940
	Salaries	J1	✓96 750		Interest income	J1	✓50 900
	Commission paid	J1	✓7 339		Dividend income	J1	✓40 100
	Rent expenses	J1	✓2 661		Discount received	J1	✓44 000
	Advertising	J1	✓4 720				
	Repairs	J1	✓1 080				
	Net profit		✓708 390				
			829 940				**829 940**

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1.2 **BALANCE SHEET OF OMEGA DESIGN 30 OCTOBER 2017**

	NOTES		
EQUITY AND LIABILITIES			
Owner's equity			✓1 148 790
Capital	5	✓1 148 790	
Non-current liabilities			✓89 400
Interest-bearing liabilities/Loan: New Bank		✓89 400	
Current liabilities			✓63 600
Trade and other accounts payable	6	✓63 600	
TOTAL EQUITY AND LIABILITIES			**✓✓1 301 790**

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1.3 **NOTES**

		Carrying amount
1. PROPERTY, EQUIPMENT AND VEHICLES		✓992 000
Land and buildings	✓206 400	
Equipment	✓437 000	
Vehicles	✓ 348 600	
2. STOCK		✓197 690
Trading stock	✓197 690	
3. TRADE AND OTHER ACCOUNTS RECEIVABLE		✓43 000
Debtors control	✓43 000	
4. CASH AND CASH EQUIVALENT		✓69 100
Bank	✓67 100	
Petty cash	✓1 100	
Cash float	✓900	
5. CAPITAL		✓1 148 790
Balance at the beginning	✓520 000	
Plus net profit	708 390✓	
	✓1 228 390	
Less drawings	✓(79 600)	
6. TRADE AND OTHER PAYABLE		✓63 600
Creditors control	✓63 600	

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QUESTION 2

WAGE ENVELOPE
Name: SINAI **Age: 47**
Week ended: 28 October 2017 **Employee's No: SIN**

DEDUCTIONS	R	C	EARNINGS	TARIFF	HOURS	R	C
Medical fund	✓180	00	Normal time	R20	✓45	✓900	00
Pension fund	✓68	00	Overtime	R30	✓3	✓90	00
Payee	✓208	00	Total earnings			✓990	00
UIF	✓9	00	Minus: Total deductions			✓(465)	00
Total deductions	✓465	00	Net wage			✓525	00

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WAGE ENVELOPE

Name: ANDY **Age: 32**
Week ended: 28 October 2017 **Employee's No: AND 07**

DEDUCTIONS	R	C	EARNINGS	TARIFF	HOURS	R	C
Medical fund	✓220	00	Normal time	R22	✓40	✓880	00
Pension fund	✓66	00	Overtime	R33	✓4	✓132	00
Payee	✓213	00	Total earnings			✓1 012	00
UIF	✓9	00	Minus: Total deductions			✓ (508)	00
Total deductions	✓508	00	Net wage			✓504	00

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QUESTION 3

3.1 **CASH RECEIPTS JOURNAL OF OMEGA DESIGN – OCTOBER 2017**

DOC	DAY	DETAILS	FOL.	SUNDRY ACCOUNTS			SALES	DEBTORS CONTROL	ANALYSIS OF RECEIPTS	BANK
				DETAILS	FOL.	AMOUNT				
CRR	3	Sales					✓80 600		✓80 600	80 600
401	5	Windy Design		Commission Received		✓4 000			✓4 000	4 000
CRR	8	Sales					✓82 700		✓82 700	
402	11	Omega		Capital		✓460 000			✓460 000	✓542 700
CRR	12	Sales					✓92 650		✓92 650	
CRR	18	Sales					✓52 600		✓52 600	
403	19	Seraphina Design						✓38 900	✓38 900	✓184 150
CRR	22	Sales					✓65 300		✓65 300	
CRR	24	Sales					✓125 700		✓125 700	✓191 000
404	26	Standard Bank		Fixed deposit		✓59 000			✓59 000	
405	29	Bagman		Discount received		✓1 900			✓1 900	
CRR	30	Sales					✓68 100		✓68 100	✓129 000

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3.2 **CASH PAYMENT JOURNAL OF OMEGA DESIGN – OCTOBER 2017**

DOC	DAY	PAYEE	FOL.	SUNDRY ACCOUNTS DETAILS			PURCHASES	DRAWINGS	EQUIPMENT	BANK
				DETAILS	FOL	AMOUNT				
501	1	Cash		Petty cash		✓3 970				✓3 970
502	6	Cashion's Design					✓35 000			✓35 000
503	7	Cash		Wage		✓2 750				✓2 750
504	9	Material Mart		Creditors control		✓76 900				✓76 900
505	13	Cash						✓1 000		✓1 000
506	15	Cash		Petty cash		✓1 030				✓1 030
507	16	Fabrics World					✓56 000			✓56 000
508	20	Sonja Electric Ltd							✓180 000	✓180 000
509	23	Sewing Africa Ltd							15 000✓	✓15 000
510	24	Eskom		Electricity		✓20 200				✓20 200
511	25	Jeep						4 775✓		✓4 775
512	25	Oriental Plaza					✓19 400			✓19 400
513	27	Fabric Ltd					✓2 000			✓2 000
514	30	Mangaung Municipality		Water and electricity		✓28 700				✓28 700
515	30	Cash		Petty cash		1 760				✓1 760

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3.3 **PETTY CASH JOURNAL OF OMEGA DESIGN – OCTOBER 2017**

Day	DETAILS	DOC	TOTAL	STATIONERY	DRAWINGS	SUNDRY ACCOUNTS		
						AMOUNT	FOL.	DETAILS
4	Staples/CNA	001	✓160	✓160				
10	Cartridge	002	✓430	✓430				
14	Newspapers for reception	003	65✓			✓65		Sundry expenses✓
21	Owner's kids school bags	004	✓1 235		✓1 235			
28	Catalogues	005	✓900			✓900		Sundry expenses✓
			✓2 790	**✓590**	**✓1 235**	**✓965**		

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3.4 **GENERAL LEDGER OF OMEGA DESIGN – 30 OCTOBER 2017**

BALANCE SHEET SECTION

Dr **PETTY CASH ACCOUNT** **Cr**

DATE	DETAILS	FOL.	AMOUNT	DATE	DETAILS	FOL.	AMOUNT
2017 OCT 1	Bank✓	CPJ	✓3 970	2017 OCT 30	Total payment✓	PCJ	✓2 790
2017 OCT 15	Bank✓	CPJ	✓1 030	2017 OCT 30	Balance✓	C/D	✓3 970
2017 OCT 30	Bank✓	CPJ	✓1 760				
			✓6 760				✓6 760
NOV 1	Balance✓	B/D	✓3 970				

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QUESTION 4

4.1 **CASH RECEIPTS JOURNAL OF OMEGA DESIGN – 30 OCTOBER 2017**

DOC	DAY	DETAILS	FOL.	SUNDRY ACCOUNTS			RENT INCOME	DEBTORS	ANALYSIS OF RECEIPTS	BANK
				DETAILS	FOL.	AMOUNT				
	30	Total				✓15 685				✓46 720
B/S		Formula Ltd		Creditors control		✓1 650				✓2 950
		Aloof					✓ 2 800			✓2 800
		African Bank		Interest received		✓730				✓730
		I.Q						✓ 270		✓270
						18 065	**2 800**	**270**		**✓21 135**

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CASH PAYMENT JOURNAL OF OMEGA DESIGN – 30 OCTOBER 2017

DOC	DAY	PAYEE	FOL.	SUNDRY ACCOUNTS			PURCHASES	BANK CHARGES	DEBTORS CONTROL	BANK
				DETAILS	FOL.	AMOUNT				
		Total				✓13 236				✓22 900
B/S	30	African Bank						✓315		✓315
		African Bank		Interest on the overdraft		3✓10				✓310
		Liberty		Insurance		✓350				✓350
		One life		Drawings		✓650				✓ 650
		Melon Fabrics					1 350✓			✓1 350
		Vincent (R/D)							1 410✓	✓1 410
						14 546	1 350	315	1 410	✓17 621

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4.2 **GENERAL LEDGER OF OMEGA DESIGN – 30 OCTOBER 2017**

BANK ACCOUNT

DATE	DETAILS	FOL.	AMOUNT	DATE	DETAILS	FOL.	AMOUNT
2017 OCT 30		B/D	✓750	2017 OCT 30			
Total receipts	Total receipts	CRJ	✓21 135		Total payments	CPJ	✓17 621
					Balance	C/D	✓4 264
			21 885				21 885
2017 NOV 1	Balance	B/D	✓4 264				

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4.3 **BANK RECONCILIATION STATEMENT OF OMEGA DESIGN – 30 OCTOBER 2017**

DETAILS	DEBIT	CREDIT
Credit balance as per bank statement		✓8 169
Credit deposit not yet credited by the bank		✓4 054
Debit outstanding cheques: No. 856	✓1 680	
No. 863	✓2 320	
No. 870	✓1 689	
Credit bank error		✓980
Debit bank error	✓2 000	
Debit bank error	✓1 250	
Debit balance as per bank account	✓4 264	
	✓13 203	**✓13 203**

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TOTAL: 200

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