



higher education  
& training

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA

## MARKING GUIDELINE

### NATIONAL CERTIFICATE JUNE EXAMINATION FINANCIAL ACCOUNTING N4

10 JUNE 2016

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QUESTION 6	
TOTAL	
PERCENTAGE	

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NOTE: Award marks for incorrect answers, e.g. if the method mark.



answer is  
indicates a



**QUESTION 1****GENERAL LEDGER OF COASTAL TRADERS  
BALANCE SHEET ACCOUNTS SECTION**

<b>Dr</b>					<b>DEBTORS CONTROL</b>					<b>Cr</b>				
2015 May	1	Balance	b/d	45 500 ✓	2015 May	31	Bank and discount allowed	CRJ	50 400 ✓					
	31	Bank	CPJ	7 230 ✓			Debtors allowances	DAJ	13 000 ✓					
		Sales	DJ	113 400 ✓			Sundry account	GJ	75 ✓					
		Sundry account	GJ	240 ✓			Balance	c/d	102 895 ✓					
				166 370										
				<input checked="" type="checkbox"/> 102 895										
Jun	1	Balance	b/d						✓ fol					
			✓ fol											

**[11]**

NOTE: One mark will be awarded to the folio columns on the debit and credit side ONLY if all folio numbers are indicated.



**QUESTION 2****2.1 CASH RECEIPTS JOURNAL OF ABC FASHION WHOLESALERS - APRIL 2015**

DOC NO.	DAY	DETAILS	FOL	BANK	SALES	DEBTORS CONTROL	SUNDRY ACCOUNTS	
							AMOUNT	DETAILS
	30	Totals	b/f	97 460	91 660	800	5 000	
A50	.	Edgars (cheque cancelled)		3 300	✓		3 300	Creditors control ✓
B/S	.	R. Reddy		5 000	✓		5 000	Rent income ✓
B/S	.	Guess Bank		230	✓		230	Interest on current a/c ✓
				105 990				

**CASH PAYMENTS JOURNAL OF ABC FASHION WHOLESALERS - APRIL 2015**

DOC NO	DAY	DETAILS	FOL	BANK	CREDITORS CONTROL	TRADING STOCK	SUNDRY ACCOUNTS	
							AMOUNT	DETAILS
	30	Totals	b/f	61 375	16 100	24 200	21 075	
B/S	.	Guess Bank		2 445	✓		2 445	Bank charges ✓
B/S	.	Metro		50	✓		50	Rates ✓
B/S	.	A. Taylor (R/D cheque)		3 250	✓		3 250	Debtors control ✓
B/S	.	Guess Bank		1 980	✓		1 980	Interest on overdraft ✓
B/S	.	Easy Insurers		12 900	✓		12 900	Drawings ✓
				82 000				

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## 2.2 GENERAL LEDGER OF ABC FASHION WHOLESALERS BALANCE SHEET ACCOUNTS SECTION

DR				BANK ACCOUNT				CR			
April 30	Total Receipts		105 990	✓	April 1	Balance	b/d	30 880	✓		
	Balance	c/d	6 890		30	Total payments		82 000	✓		
			112 880					1 12 880			
					May 1	Balance	b/d	6 890	✓		

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## 2.3 ABC FASHION WHOLESALERS BANK RECONCILIATION STATEMENT AS AT 30 APRIL 2015

	DR	CR
Dr balance as per bank statement	41 855 ✓	
Cr outstanding deposit		36 200 ✓
Dr outstanding cheques:		
No. A54	6 700 ✓	
B21	7 500 ✓	
B24	11 200 ✓	
B26	625 ✓	
Cr bank error - cheque no. 634		15 740 ✓
Cr bank error - cheque no. B25		12 350 ✓
Dr bank error - deposit incorrectly credited	3 300 ✓	
Cr balance as per bank a/c		6 890 ✓
	✓	✓
	71 180	71 180

(12)

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**QUESTION 3****3.1 ZUNGUS' FASHION SUPPLIERS  
INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2015**

Sales/Turnover for the year		727 150 ✓
<b>Less:</b> Cost of sales		265 440 ✓
Opening stock	85 800	✓
<b>Add</b> purchases (208 000 - 7 250)	200 750	✓ ✓
Carriage on purchases	12 990	✓
Customs duty	8 400	✓
	307 940	
<b>Less</b> closing stock	42 500	✓
Gross profit		461 710 ✓
<b>Add:</b> Other income		128 200
Rent Income (120 000 - 10 000)	110 000	✓ ✓
Discount received	800	✓
Interest on fixed deposit (7 800 + 9 600)	17 400	✓ ✓
Gross income for the year		589 910
<b>Less:</b> Operating expenses/losses		(503 491) ✓
Discount allowed	8 540	✓
Bad debts (155 + 18 000)	18 155	✓ ✓
Packing material (7 050 - 215)	6 835	✓ ✓
Water and electricity (120 000 + 1 600)	121 600	✓ ✓
Stationery	74 500	✓
Interest on loan (14 500 + 83 250)	97 750	✓ ✓
Carriage on sales (13 057 + 250)	13 307	✓ ✓
Provision for bad debts adjustment a/c (If adjustment is omitted – only 1 mark)	1 275	✓ ✓
Provision for discount allowed adjustment a/c (If adjustment is omitted – only 1 mark)	1 938	✓ ✓
Depreciation (114 375 (V) + 45 216 (E)) 2 marks each for Depreciation of Vehicles and Equipment respectively	159 591	✓ ✓ ✓ ✓
<b>Net Profit/Income for the year</b>		<b>86 419 ✓</b>

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## 3.2

**ZUNGU'S FASHION SUPPLIERS**  
**BALANCE SHEET AS AT 28 FEBRUARY 2015 [Extract]**

	NOTES	R	R
<b>EQUITY AND LIABILITIES</b>			
<b>OWNER'S EQUITY</b>			703 051 <input checked="" type="checkbox"/>
Capital		703 051 ✓	
<b>LONG-TERM LIABILITIES</b>			575 000 <input checked="" type="checkbox"/>
Loan: Star Finance Co		575 000 ✓	
<b>CURRENT LIABILITIES</b>			111 760 <input checked="" type="checkbox"/>
Trade creditors		111 760 ✓	
			1 386 811 <input checked="" type="checkbox"/>

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**ANNEXURES/NOTES TO THE BALANCE SHEET**

<b>CAPITAL</b>			703 051 <input checked="" type="checkbox"/>
Balance at the beginning of the year		670 522 ✓	
Add net profit		86 419 <input checked="" type="checkbox"/>	
Less drawings		(53 890) ✓	
<b>CREDITORS CONTROL</b>			111 760 <input checked="" type="checkbox"/>
Trade creditors		16 660 ✓	
Accrued expense:		85 100 <input checked="" type="checkbox"/>	
Water and electricity	1 600 ✓		
Interest on loan	83 250 ✓		
Carriage on sales	250 ✓		
Income received in advance		10 000 <input checked="" type="checkbox"/>	
Rent income	10 000 ✓		

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**QUESTION 4**

**NOTE: STUDENTS SHOULD INDICATE BRACKETS WHERE APPLICABLE IN ORDER TO EARN MARKS**

**4.1 UMTATA MOTOR DEALERS**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2015**

	NOTES	R	R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			300 300 <input checked="" type="checkbox"/>
Cash received from clients	1	953 320	<input checked="" type="checkbox"/>
Cash paid to suppliers and employees	2	(579 920)	<input checked="" type="checkbox"/>
Cash generated from operations		373 400	<input checked="" type="checkbox"/>
Interest paid		(16 000)	✓
Interest received		12 900	✓
Drawings		(70 000)	✓
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			(270 000) <input checked="" type="checkbox"/>
Additions to buildings		(200 000)	✓ ✓
Additions to equipment		(25 000)	✓ ✓
Additions to vehicles		(50 000)	✓ ✓
Proceeds from sale of equipment		7 000	✓ ✓
Proceeds from sale of vehicle		18 000	✓ ✓
Increase in investments		(20 000)	✓ ✓
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			(20 000) <input checked="" type="checkbox"/>
Decrease in long-term loan		(20 000)	✓
Net increase in cash			10 300 <input checked="" type="checkbox"/>
Cash at the beginning of the year			10 900 ✓
Cash at the end of the year			21 200 ✓

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## 4.2

## NOTES TO THE CASH FLOW STATEMENT

	R	R
<b>1. Cash received from clients/customers</b>		953 320 <input checked="" type="checkbox"/>
Sales	941 120 ✓	
Decrease in debtors	12 200 ✓	
<b>2. Cash paid to suppliers and employees</b>		(579 920) <input checked="" type="checkbox"/>
Sales	941 120 ✓	
Less net profit	(323 900) ✓	
Expenses for the period	(617 220)	
Interest paid	16 000 ✓	
Interest received	(12 900) ✓	
Depreciation	48 600 ✓	
Loss on sale of asset	2 000 ✓	
Increase in stock	(21 800) ✓	
Increase in creditors	8 900 ✓	
Profit on sale of asset	(3 500) ✓	

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**QUESTION 5**

**ELECTRONIC ENTERPRISES**  
**DEPARTMENTAL INCOME STATEMENT FOR THE YEAR ENDED 28 FEBRUARY 2015**

	<b>CELLPHONE DEPARTMENT</b>	<b>COMPUTER DEPARTMENT</b>
Sales	657 800 ✓	820 000 ✓
Less: Cost of sales	(587 700) ✓	324 300 ✓
Trading stock (01/03/2015)	320 500 ✓	370 000 ✓
Purchases	329 700 ✓	137 800 ✓
Carriage on purchases	18 000 ✓	9 000 ✓
	668 200	516 800
Less stock (28/02/2016)	(80 500) ✓	(192 500) ✓
Gross profit	70 100	495 700
Add other income		
Discount received	21 500 ✓	2 800 ✓
Gross income	91 600	498 500
Less : Expenses	(542 100) ✓	(763 370) ✓
Carriage on sales	16 600 ✓	30 870 ✓
Sundry expenses	18 000 ✓	14 000 ✓
Salaries	352 000 ✓	528 000 ✓
Rent expense	47 200 ✓	70 800 ✓
Advertising	22 500 ✓	67 500 ✓
Bad debts	1 300 ✓	
Bonus	12 500 ✓	8 200 ✓
Depreciation	72 000 ✓	44 000 ✓
Net loss	(450 500) ✓	(264 870) ✓

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