



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

JUNE EXAMINATION

FINANCIAL ACCOUNTING N5

7 JUNE 2016

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QUESTION 1**1.1 Cadberry Traders**

Income Statement for the year ending 30 September 2015

Sales		1 202 400
Less Cost of sales		801 600
Gross profit		400 800
Other operating income		51 000
Rent income	51 000	
Operating income		451 800
Less Operating expenses		(299 393)
Stationery	1 660	
Provision for bad debts adjustment	516	
Trading stock deficit	1 550	
Bad debts	2 160	
Insurance	10 580	
Interest on loan (9 870 + 9 240)	19 110	
Water and electricity	13 450	
Depreciation (9 300 + 375)	9 675	
Salaries and wages	160 892	
Salary: Berry	79 800	
Net profit		152 407

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(24)

Appropriation of Profit

	Cad	Berry	Total
Interest on Capital	36 000	17 325	53 325
Interest on Current account	(1 512)	3 624	2 112
Interest on Drawings	(1 880)	(150)	(2 030)
Salary	63 000		63 000
Current account	24 000	12 000	36 000
Net profit			152 407

✓4
✓3
✓5
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✓3
✓1
(18)

1.2 CURRENT: CAD

Balance b/d	15 120	✓	Interest on capital	36 000
Interest on Current	1 512	①	Salary: Cad	38 000
Interest on Drawing	1 880	①	Interest on loan	19 110
Drawing: Cad	30 080	✓	Appropriation	24 000
Balance c/d	68 518			
	117 110			117 110
			Balance b/d	68 518

✓
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(8)
[50]

QUESTION 2.1**2.1.1 BRANCH STOCK**

	Balance b/d	61 920	√	Goods to branch	13 070
	Goods to branch	308 390	√	Branch bank	258 860
	Branch profit and loss	137 040	①	Branch debtors	161 690
				Balance c/d	73 730
		507 350			507 350
	Balance b/d	73 730	√		

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(7)

2.1.2 BRANCH DEBTORS

	Balance b/d	34 840	√	Branch bank	170 620
	Branch stock	161 690	√		
				Balance c/d	25 910
		196 530			196 530
	Balance b/d	25 910	①		

√
(4)

2.1.3 BRANCH BANK

	Balance b/d	5 000	√	Branch material packing	2 510
	Branch stock	258 860	√	Branch salaries and wages	81 600
	Branch debtor	170 620	√	Head office bank	345 370
				Balance c/d	5000
		434 480			434 480
	Balance b/d	5 000	√		

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(7)

2.1.4 GOODS TO BRANCH

	Branch stock	13 070	√	Branch stock	308 390
	Head Office Trading	295 320	√		

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(3)

2.1.5 BRANCH PROFIT AND LOSS

	Branch packing material	2 270	√√	Branch stock	137 040
	Branch Salaries and wages	82 440	√√		
	Branch water and electricity	27 360	√√		
	Branch depreciation (14 220 + 390)	14 610	√√		
	Branch Insurance	5 480	√		
	Head office profit and loss	4 880	①		
		137 040			137 040

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(11)

QUESTION 2.2

General Journal of Embali

Date				
Feb	17	Stock from branch: Wadeville (debit)	12 400	
		Wadeville branch (credit)		12 400
	28	Merchandise in transit	8 350	
		Head Office		8 350

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(8)
[40]

QUESTION 3.1

FIFO

Date	Receipts		Issues		Balance on hand		
	Units @ R	Amount	Units @ R	Amount	Units @ R	Amount	Total
1					34 @ R20	R680	R 680
7	48 @ R22	R1 056			34 @ R20	R680	
					48 @ R22	R1 056	R1 736
14			29 @ R20	R580	5 @ R20	R100	
					48 @ R22	R1 056	R1 156
19			5 @ R20	R100			
			17 @ R22	R374	31 @ R22	R682	R682
22	42 @ R24	R1 008			31 @ R22	R682	
					42 @ R24	R1 008	R1 690
26			14 @ R22	R308	17 @ R22	R374	
					42 @ R24	R1 008	R1 382
29			17 @ R22	R374			
			15 @ R24	R360	27 @ R24	R648	R648

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(19)

QUESTION 3.2

Average Cost price

Date	Receipts		Issues		Balance on hand	
	Units @ R	Amount	Units @ R	Amount	Units @ R	Total
1					34 @ R20	R680
7	48 @ R22	R1 056			82 @ R21.17	R1 735.94
14			29 @ R21.17	R613.93	53 @ R21.17	R1 122.01
19			22 @ R21.17	R465.74	31 @ R21.17	R656.27
22	42 @ R24	R1 008			73 @ R22.80	R1 664.40
26			14 @ R22.80	R319.20	59 @ R22.80	R1 345.20
29			32 @ R22.80	R729.60	27 @ R22.80	R615.60

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(21)
[40]**QUESTION 4.1**

4.1.1. Balance sheet of Corx Wholesalers on 28 February 2015

Assets	
Non-current assets	22 055
Equipment (29 400 – 11 345)	18 055
Other financial assets	4 000
Current assets	90 188
Stock	64 080
Trade and other debtors (17 040 + 2 996)	20 036
Cash and cash equivalents (4 572 + 1 500)	6 072
Total assets	112 243
Equity and liabilities	
Capital	95 437
Non-current liabilities	
Interest bearing liabilities	8 000
Current liabilities	
Trade and other creditors (7 680 + 1 126)	8 806
Total Equity and liabilities	112 243

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(16)

4.1.2

Capital		95 437
Balance beginning of the year	82 000	
Net profit	17 637	
Less Drawings	(4 200)	

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(5)

QUESTION 4.2

4.2.1

DEBTORS CONTROL

	Balance b/d	50 625	√	Bank	322 875
	Sales	361 380	①	Bad debts	3 380
				Discount allowed	1 750
				Returns	26 750
				Balance c/d	57 250
		412 005			412 005
	Balance b/d	57 250	√		

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(8)

4.2.2

CREDITORS CONTROL

	Bank	183 500	√	Balance b/d	19 500
	Discount received	5 250	√	Purchases	241 750
	Purchases returns	44 625	√		
	Balance c/d	27 875			
		261 250			261 250
				Balance b/d	27 875

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(6)

QUESTION 4.3

4.3.1

Sam and Co. (debit)	100	
Purchases (credit)		100

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4.3.2

Wages (debit)	50	
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(5)

[40]**QUESTION 5.1**

5.1.1 Gross profit percentage on turnover

$$\frac{\text{Gross profit}}{\text{Turnover}} \times \frac{100}{1}$$

$$= \frac{93\,320}{217\,750} \times \frac{100}{1}$$

$$= 42.86\%$$

√

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5.1.2 Debtors collection period (in days)

$$\frac{\text{Average debtors}}{\text{Credit sales}} \times \frac{365}{1}$$

$$= \frac{36\,400}{130\,650} \times \frac{365}{1}$$

$$= 101 \text{ days}$$

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QUESTION 5.2

5.2	5.2.1	B
	5.2.2	C
	5.2.3	C
	5.2.4	A
	5.2.5	B

(5 × 2) (10)

QUESTION 5.3

5.3	5.3.1	R449 200
	5.3.2	R87 100
	5.3.3	R75 600
	5.3.4	R64 900
	5.3.5	R38 890

(5 × 2) (10)
[30]

TOTAL: 200