



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

**NATIONAL CERTIFICATE
FINANCIAL ACCOUNTING N4**

14 JUNE 2018

This marking guideline consists of 8 pages.

QUESTION 1**DEBTORS CONTROL OF VOKOS TRADERS - 30 SEPTEMBER 2017**

Day	Details	Fol	Amount	Day	Details	Fol	Amount
2017 Sep 1	Balance	b/d	✓16 175	2017 Sep 30	Bank and discount allowed✓	CRJ	✓4 500
	Petty cash✓	PCJ	✓450		Debtors allowances✓	DAJ	✓1 688
	Bank✓	CPJ	✓4 500		Journal debts	GJ	✓200
	Sales✓	DJ	✓16 000		Balance	c/d	✓30 887
	Journal debts	GJ	✓150				
			37 275				37 275
30	Balance	b/d	✓30 887				

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QUESTION 22.1 **CASH RECEIPTS JOURNAL OF RINGANI TRADERS ON 31 AUGUST 2017**

Doc no.	Day	Details	Fol	Bank	Sales	Debtors control	Sundry amount	Details of sundry account
	31	Totals	b/f	318 428				
		M. Muthambi		13 050			✓13 050	Trading stock/ creditors control✓
		Nedbank		1 312			✓1 312	Interest on current✓
		M. Manugeni		6 600		✓6 600		
				✓339 390				

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CASH PAYMENTS JOURNAL OF RINGANI TRADERS ON 31 AUGUST 2017

Doc no.	Day	Payee	Fol	Bank	Trading stock	Creditors control	Sundry amount	Details of sundry account
	31	Totals	b/f	91 303				
B/S		Traders		✓150	150✓			
B/S		Metropolitan		✓3 900			3 900	Insurance✓
B/S		Bank		✓461			461	Bank charges✓
B/S		Makhuvele (R/D)		✓15 953			15 953	Debtors control✓
				✓111 767				

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2.2 **GENERAL LEDGER OF RINGANI TRADERS
BALANCE SHEET ACCOUNT SECTION**

Dr				BANK ACCOUNT			Cr
01 August	Balance	b/d	71 325 ✓	31 August	Total payments		111 767 ✓
31	Total receipts		339 360 ✓		Balance	c/d	298 948 ✓
			410 715				410 685
01 Sept	Balance	b/d	298 948 ✓				

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2.3 **BANK RECONCILIATION STATEMENT OF RINGANI TRADERS AS AT
31 AUGUST 2017**

	DR	CR
Credit balance as per bank statement		271 701 ✓
Credit outstanding deposit		16 875 ✓
Debit outstanding cheques:		
No. 23	2 250 ✓	
No. 30	750 ✓	
CR cheque no. 32 incorrectly debited		12 667 ✓
CR cheque no. 29 incorrectly debited		705 ✓
Debit balance as per bank account	298 948 ✓	
	301 948 ✓	301 948 ✓

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QUESTION 3**3.1 INCOME STATEMENT OF MALEMA TRADERS FOR THE YEAR ENDING
30 JUNE 2017**

Sales (374 213 – 78 757)		366 338	✓✓
Cost of sales		(213 750)	✓
Gross profit		152 588	✓
Other income		66 148	✓
Interest on fixed deposit (900 + 1 912)	2 812		✓✓
Discount received	4 200		✓
Rent income (48 750 + 10 238)	58 988		✓✓
Provision for bad debts adjustment (2 175 - 2 027)	148		✓✓
Gross operating profit		218 736	✓
Expenses		(110 806)	✓
Interest on loan (11 138 + 3 714)	14 852		✓✓
Water and electricity	7 087		✓
Bad debts (1 313 + 188)	1 501		✓✓
Consumable stores (776 - 64)	712		✓✓
Insurance (5 100 - 225)	4 875		✓✓
Salaries and wages 70 687	70 687		✓
Sundry expense	1 425		✓
Discount allowed	1 313		✓
Bank charges	817		✓
Trading stock deficit (30 375 – 30 263)	112		✓✓
Depreciation (3 000 + 225 + 4 200)	7 425		✓✓✓✓✓
Net profit for the year		107 930	✓

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3.2 BALANCE SHEET OF MALEMA TRADERS ON 30 JUNE 2017

ASSETS			
NONCURRENT ASSET			413 865 ✓
Property, equipment and vehicles	B1	376 365	✓
Other financial assets	B2	37 500	✓
CURRENT ASSETS			81 341 ✓
Stock	B3	30 325	✓
Trade and other debtors	B4	50 885	✓
Cash and cash equivalent	B5	131	✓
TOTAL ASSETS			495 206 ✓

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3.2.1 PROPERTY, EQUIPMENT AND VEHICLES				
	Gross carrying amount	Accumulated depreciation	Carrying value	
Land and buildings	337 500 ✓		337 500 ✓	
Equipment	39 000 ✓	16 125 ✓	22 875 ✓	
Vehicles	66 000 ✓	49 200 ✓	16 800 ✓	
	442 500	65 325	377 175 ✓	

RECONCILIATION OF CARRYING AMOUNT				
	Land and buildings	Equipment	Vehicles	
Balance at the beginning of the year	337 500 ✓	17 100 ✓✓	21 000 ✓✓	
Addition at cost		9 000 ✓		
Depreciation		(3 225) ✓	(94 200) ✓	
Balance at the end of the year	337 500	22 875	16 800	

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3.2.2 STOCK				
Trading stock			30 263 ✓	
Consumable			64 ✓	
			30 327 ✓	

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3.2.3 TRADE AND OTHER RECEIVABLES				
Trade debtor (40 725 - 188)			40 537 ✓✓	
Provision for bad debts			(227) ✓	
Net trade			38 510 ✓	
Accrued income (1 912 + 10 238)			12 150 ✓✓	
Prepaid expenses			225 ✓	
			50 885 ✓	

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QUESTION 4**4.1 CASH FLOW STATEMENT OF FUSION EXPRESS FOR THE YEAR ENDED
31 AUGUST 2017**

CASH FLOW FROM OPERATING ACTIVITIES		405 652 ✓
Cash received from clients	613 425 ✓	
Cash paid to suppliers	(164 325) ✓	
Cash generated from operations	449 100 ✓	
Interest income	11 700 ✓	
Interest paid	(17 648) ✓	
Drawings	(37 500) ✓	
CASH FLOW FROM INVESTING ACTIVITIES		(122 250) ✓
Addition to equipment	(21 000) ✓	
Addition to vehicle	(120 000) ✓	
Proceed on equipment	3 750 ✓	
Proceed from fixed deposit	15 000 ✓	
CASH FLOW FROM FINANCING ACTIVITIES		126 127 ✓
Capital contribution	23 873 ✓	
Repayment of loan	(150 000) ✓	
Net changes in cash		157 275 ✓
Cash and cash beginning of the year		(119 775) ✓
Cash and cash end of the year		37 500 ✓

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4.2 NOTES

4.2.1 CASH RECEIVED FROM CLIENTS/CUSTOMERS		613 425
Sales	630 375 ✓	
Increase in debtor	(16 950) ✓	

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4.2.2 CASH PAID TO SUPPLIERS AND EMPLOYEES		(164 325)
Sales	630 375 ✓	
Profit for the year	322 478 ✓	
Expenses	(307 897) ✓	
Interest in time	(11 700) ✓	
Interest paid (697 + 16 950)	17 647 ✓✓	
Depreciation (16 875 + 24 600)	41 475 ✓	
Increase in stock	(30 000) ✓	
Increase in creditors	125 100 ✓	
Loss on sale of equipment	1 050 ✓	

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QUESTION 55.1 **PURCHASES ACCOUNT**

Details	Clothes	Toys	Total	Details	Clothes	Toys	Total
Balance	✓330 000	✓235 000	565 000	Purchases returns	✓800		800
Transfer	✓(40 000)	✓40 000	-	Donations	-	✓2 500	2 500
				Drawings	✓300		300
				Balance c/d	✓288 900	✓272 500	561 400
	290 000	275 000	565 000		290 000	275 000	565 000
Balance b/d	✓288 900	✓272 500	561 400				

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5.2 **DEPARTMENTAL TRADING STATEMENT**

	Total	Clothes	Toys
Sales	1 538 350	669 550 ✓	868 800 ✓
Cost of sales	(436 900)	(216 927) ✓	(182 500) ✓
Opening stock	315 000	185 000 ✓	130 000 ✓
Purchases	561 400	288 900 ✓	272 500 ✓
Carriage on purchases	35 500	15 000 ✓	150 000 ✓
Import duties	7 527	7 527 ✓	-
	911 900	541 927	377 500
Less closing stock	475 000	280 000 ✓	195 000 ✓
Gross profit	1 101 450	407 623 ✓	686 300 ✓

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QUESTION 66.1 **MEMBERSHIP FEES**

Doc	Day	Details	Fol	Amount	Doc	Day	Details	Fol	Amount
		Accrued income		✓2 000			Income received in advance		✓3 200
		Income received in advance		✓2 400			Bank :2015 :2016 :2017		✓800 ✓96 000 ✓2 400
		Income and expenditure		✓100 800			Membership fees written off (2 000 - 800)		✓✓1 200
							Accrued income (4 × 400)		✓1 600
				105 200					105 200

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6.2 **STATEMENT OF INCOME AND EXPENDITURE**

INCOME		123 300 ✓
Membership fee	100 800 ✓	
Interest on fixed deposit (4 000 + 5 000)	9 000 ✓✓	
Entrance fee	3 300 ✓✓	
Gate takings	10 200 ✓	
LESS: EXPENDITURE		15 960 ✓
Membership written off (2 000 – 800)	1 200 ✓✓	
Insurance (680 + 400)	1 080 ✓✓	
Stationary (720 – 250)	470 ✓✓	
Interest on loan (2 000 + 2 650)	4 650 ✓	
Depreciation	3 600 ✓	
Water and electricity	800 ✓	
Sundry expense	3 660 ✓	
Refreshments	500 ✓	
Net surplus for the year		107 340 ✓✓

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[30]**TOTAL: 200**