



**higher education
& training**

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

**NATIONAL CERTIFICATE
FINANCIAL ACCOUNTING N4**

19 JUNE 2017

This marking guideline consists of 11 pages.

| | |
|---------------------|-----|
| QUESTION 1 | 55 |
| QUESTION 2 | 38 |
| QUESTION 3 | 24 |
| QUESTION 4 | 38 |
| QUESTION 5 | 31 |
| QUESTION 6 | 14 |
| TOTAL | 200 |
| PERCENTAGE % | 100 |

Note:

- Award marks for calculations shown with brackets, if final answer is incorrect.
- indicates method mark

QUESTION 1**SUPER FASHION STORES****INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2015**

| | | |
|--|-------------|---|
| Sales/Turnover (666 215 – 16 215) | | 650 000 ✓ ✓ |
| Less: Cost of sales | | 191 115 ✓ |
| Gross profit | | 458 885 ✓ |
| Add: Other income | | 80 190 <input checked="" type="checkbox"/> |
| Trading stock surplus | 790 ✓ | |
| Rent income (65 000 – 5000) | 60 000 ✓ ✓ | |
| Discount received | 18 250 ✓ ✓ | |
| Provision for bad debts adjustment | 1 150 ✓ | |
| | | |
| Gross income | | 539 075 <input checked="" type="checkbox"/> |
| Less: Operating expenses/losses | | (765 735) <input checked="" type="checkbox"/> |
| Bad debts (3 155 + 1 500) | 4 655 ✓ ✓ | |
| Provision for discount allowed adjustment | 1 995 ✓ ✓ | |
| Stationery (11 230 + 710) | 11 940 ✓ ✓ | |
| Sundry expense (20 000 – 710) | 19 290 ✓ ✓ | |
| Interest on loan (25 000 + 35 400) | 60 400 ✓ ✓ | |
| Bank charges (4 220 + 1 745) | 5 965 ✓ ✓ | |
| Interest on overdraft (1 520 + 5 020) | 6 540 ✓ ✓ | |
| Salaries (250 500 + 250 500) | 501 000 ✓ ✓ | |
| Insurance (15 000 – 3 000) | 12 000 ✓ ✓ | |
| Consumable stores (9 250 – 2 555) | 6 695 ✓ ✓ | |
| Depreciation (35 880 + 99 375) | 135 255 ✓ ✓ | ✓ ✓ |
| Two marks each for depreciation on equipment and vehicles. | | |
| | | |
| | | |
| | | |
| | | |
| Net loss for the year | | (226 660) <input checked="" type="checkbox"/> |

(38)

QUESTION 1 (continued)**SUPER FASHION STORES****BALANCE SHEET AS AT 30 JUNE 2015 [extract]**

| | R | R |
|-------------------------------|---|--|
| EQUITY AND LIABILITIES | | |
| Capital | | 254 140 <input checked="" type="checkbox"/> |
| LONG-TERM LIABILITIES | | 302 000 <input checked="" type="checkbox"/> |
| Loan: National Bank | 302 000 ✓ | |
| CURRENT LIABILITIES | | 306 880 <input checked="" type="checkbox"/> |
| Trade and other creditors | 306 880 <input checked="" type="checkbox"/> | |
| | | 863 020 <input checked="" type="checkbox"/> |

(6)

ANNEXURES/NOTES TO THE BALANCE SHEET

| | R | R | R |
|--------------------------------------|-----------|---|---|
| CAPITAL | | | 254 140 <input checked="" type="checkbox"/> |
| Balance at the beginning of the year | | 612 000 ✓ | |
| Less net loss | | (226 660) <input checked="" type="checkbox"/> | |
| Less drawings | | (131 200) ✓ | |
| CREDITORS' CONTROL | | | 306 880 <input checked="" type="checkbox"/> |
| Trade creditors | | 15 980 ✓ | |
| Income received in advance: | | 5 000 <input checked="" type="checkbox"/> | |
| Rent income | 5 000 ✓ | | |
| Accrued expense: | | 285 900 <input checked="" type="checkbox"/> | |
| Interest on loan | 35 400 ✓ | | |
| Salaries | 250 500 ✓ | | |

(11)
[55]

QUESTION 2**CASH FLOW STATEMENT OF THABANG FURNITURE WHOLESALERS
FOR THE YEAR ENDED 30 JUNE 2015**

| | NOTES | R | R |
|--|-------|---|---|
| CASH FLOW FROM OPERATING ACTIVITIES | | | 54 850 <input checked="" type="checkbox"/> |
| Cash received from clients | 1 | 534 950 <input checked="" type="checkbox"/> | |
| Cash paid to suppliers | 2 | (448 555) <input checked="" type="checkbox"/> | |
| Cash generated from operations | | 86 395 <input checked="" type="checkbox"/> | |
| Interest paid | | (16 770) ✓ | |
| Interest received | | 225 ✓ | |
| Drawings | | (15 000) ✓ | |
| | | | |
| CASH FLOW FROM INVESTING ACTIVITIES | | | (112 650) <input checked="" type="checkbox"/> |
| Additions to buildings | | (60 000) ✓ ✓ | |
| Additions to vehicles | | (54 850) ✓ ✓ | |
| Additions to equipment | | (6 000) ✓ ✓ | |
| Proceeds from sale of vehicles | | 13 200 ✓ | |
| Increase in investments | | (5 000) ✓ ✓ | |
| | | | |
| CASH FLOW FROM FINANCING ACTIVITIES | | | 55 800 <input checked="" type="checkbox"/> |
| Capital contribution | | 5 800 ✓ | |
| Increase in loan | | 50 000 ✓ | |
| Cash at the beginning of the year | | | 1 500 ✓ |
| Cash at the end of the year | | | (500) ✓ |

(23)

QUESTION 2 (continued)

| CALCULATIONS | R | R |
|--|-------------|---|
| 1. Cash received from clients/customers | | 534 950 <input checked="" type="checkbox"/> |
| Sales | 532 200 ✓ | |
| Decrease in debtors | 2 750 ✓ | |
| | | |
| 2. Cash paid to suppliers and employees | | (448 555) <input checked="" type="checkbox"/> |
| Sales | 532 200 ✓ | |
| Profit | (38 350) ✓ | |
| Expenses for the year | (493 850) ✓ | |
| Interest paid (8 330 + 7 670 + 770) | 16 770 ✓ ✓ | |
| Interest income/received | (225) ✓ | |
| Depreciation (9 500 + 13 200 + 10 750) | 33 450 ✓ ✓ | |
| Profit on sale of asset | (1 200) ✓ | |
| Increase in stock | (6 300) ✓ | |
| Increase in creditors | 2 800 ✓ | |
| | | |
| | | |
| Brackets or minus should be indicated in order to earn mark. | | |

(15)
[38]**QUESTION 3**

- 3.1 D
3.2 B
3.3 A
3.4 D
3.5 B
3.6 A
3.7 D
3.8 C
3.9 C
3.10 C

[24]

QUESTION 4**CASH BOOK OF GAME EQUIPMENT STORE FOR OCTOBER 2015 (debit side)**

| Doc. no. | Date | Details | Fol | Bank | Sales | Debtors' control | Sundry accounts | |
|----------|------|--------------|-----|--------|-------|------------------|-----------------|---------------------------|
| | | | | | | | Amount | Details |
| | 1 | Balance | b/d | 22 120 | ✓ | | | |
| 799 | 31 | China Stores | | 12 210 | ✓ | | 12 210 | Creditors' control ✓ |
| B/S | | Chris Gumede | | 8 000 | ✓ | 8 000 | ✓ | |
| B/S | | Sahara Bank | | 102 | ✓ | | 102 | Interest on current a/c ✓ |
| | | | | | | | | |
| | | | | | | | | |
| | | | | 42 432 | | | | |
| Nov | 1 | Balance ✓ | b/d | 20 572 | ☑ | | | |

(9)

CASH BOOK OF GAME EQUIPMENT STORE FOR OCTOBER 2015 (credit side)

| Doc No | Day | Payee | Fol | Bank | Creditors' Control | Debtors' Control | Sundry accounts | |
|--------|-----|------------------------|-----|--------|--------------------|------------------|-----------------|-------------------------|
| | | | | | | | Amount | Details |
| B/S | 31 | SA Eagle | | 3800 | ✓ | | 3 800 | Insurance ✓ |
| B/S | | Edgars | | 2 350 | ✓ | | 2 350 | Drawings ✓ |
| B/S | | Sahara Bank | | 2 480 | ✓ | | 2 480 | Bank charges ✓ |
| B/S | | Sahara Bank | | 230 | ✓ | | 230 | Interest on overdraft ✓ |
| B/S | | J Tsobane (Cheque R/D) | | 9 800 | ✓ | 9 800 ✓ | | |
| B/S | | Daily News | | 3 000 | ✓ | | 3 000 | Advertisement ✓ |
| B/S | | MTN (error) | | 200 | ✓ | | 200 | Subscriptions ✓ |
| | | Balance ✓ | c/d | 20 572 | ☑ | | | |
| | | | | 42 432 | | | | |

(16)

QUESTION 4 (continued)**GAME EQUIPMENT STORE****BANK RECONCILIATION STATEMENT AS ON 31 OCTOBER 2015**

| | | Dr | Cr |
|----------------------------------|-----|--------|--|
| Dr balance as per bank statement | | 6 122 | ✓ |
| Cr outstanding deposit | | | 84 294 ✓ |
| Dr outstanding cheques | | | |
| No. | 811 | 250 | ✓ |
| | 816 | 500 | ✓ |
| | 888 | 23 990 | ✓ |
| | 889 | 32 900 | ✓ |
| | 860 | 555 | ✓ |
| Cr bank error - cheque no. 832 | | | 2 500 ✓ |
| Dr bank error - deposit | | 3 580 | ✓ |
| Cr bank error - cheque no. A2 | | | 1 675 ✓ |
| Dr balance as per cash book | | 20 572 | <input checked="" type="checkbox"/> |
| | | | |
| | | 88 469 | <input checked="" type="checkbox"/> 88 469 |
| | | | <input checked="" type="checkbox"/> |

(13)
[38]

QUESTION 5**GENERAL LEDGER OF MADIBA'S SOCIAL CLUB**

| Dr | | TRADING ACCOUNT: CANTEEN | | Cr | |
|----------------|---------------------------|---|---------------|-------|--------------|
| 2015 Dec 31 | Stock | 1 026 ✓ | 2015 Dec31 | Sales | 4 750 ✓ |
| | Purchases | 2 999 ✓ | | Stock | 1 175 ✓ |
| | Income and expenditure | 1 900 <input checked="" type="checkbox"/> | | | |
| | | <u>5 925</u> | | | <u>5 925</u> |

| Dr | | INCOME RECEIVED IN ADVANCE | | Cr | |
|---------------|--------------------|----------------------------|---------------|--------------------|---|
| 2015 Jan 1 | Membership fees | 600 ✓ | 2015 Jan 1 | Balance | 600 ✓ |
| Dec 31 | Balance c/d | 900 | Dec 31 | Membership fees | 900 ✓ |
| | | | | | |
| | | <u>1 500</u> | | | <u>1 500</u> |
| | | | Jun 1 | Balance b/d | 900 <input checked="" type="checkbox"/> |

| Dr | | ACCRUED INCOME | | Cr | |
|---------------|-----------------|--|---------------|-----------------|--------------|
| 2015 Jan 1 | Balance | 450 ✓ | 2015 Jan 1 | Membership fees | 450 ✓ |
| Dec 31 | Membership fees | 750 ✓ | Dec 31 | Balance c/d | 750 |
| | | | | | |
| | | <u>1 200</u> | | | <u>1 200</u> |
| Jun 1 | Balance b/d | 750 <input checked="" type="checkbox"/> | | | |

| Dr | | MEMBERSHIP FEES ACCOUNT | | Cr | |
|---------------|--------------------------------------|-------------------------|---------------|---|----------------|
| 2015 Jan 1 | Accrued income | 450 ✓ | 2015 Jan 1 | Income received in advance | 600 ✓ |
| Dec 31 | Income received in advance | 900 ✓ | Dec 31 | Bank (300 + 3 600 + 900) | 4 800 ✓ ✓ ✓ |
| | Bank (refunds) | 300 ✓ | | Membership fees written off/Bad debts/Income and expenditure | 150 ✓ ✓ |
| | Income and expenditure account | 4 650 ✓ | | Accrued income | 750 ✓ |
| | | <u>6 300</u> | | | <u>6 300</u> |

| Dr | | AFFILIATION FEES | | Cr | |
|---------------|-----------------|------------------|----------------|--------------------------------------|--------------|
| 2015 Jan 1 | Prepaid expense | 220 ✓ | 2015 Dec 31 | Income and expenditure account | 1 370 ✓ |
| Dec 31 | Bank | 500 ✓ | | | |
| | Accrued expense | 650 ✓ | | | |
| | | <u>1 370</u> | | | <u>1 370</u> |

| Dr | | ENTRANCE FEES | | Cr | |
|----------------|--------------------------------------|---------------|----------------|------|--------------|
| 2015 Dec 31 | Accumulated fund | 650 ✓ | 2015 Dec 31 | Bank | 2 600 ✓ |
| | Income and expenditure account | 1 950 ✓ | | | |
| | | <u>2 600</u> | | | <u>2 600</u> |

[31]

QUESTION 6**WAGES JOURNAL OF ORIENT ELECTRONICS FOR THE WEEK ENDED – 6 NOVEMBER 2015**

| NAME | NORMAL | | | OVERTIME | | | GROSS WAGE | DEDUCTIONS | | | | | NET WAGE |
|--------------|--------|---------|-------------|----------|--------|------------|---------------|------------|------------|------------|----------|------------|-------------|
| | RATE | HOURS | AMOUNT | RATE | HOURS | AMOUNT | | PENSION | MEDICAL | PAYE | UIF | TOTAL | |
| K. Krisantha | 250 | ✓ 45 | ✓ 11 250 | 300 | ✓ 8 | ✓ 2 400 | ✓ 13 650 | ✓ 788 | ✓ 1 110 | ✓ 2 572 | ✓ 113 | ✓ 4 583 | ✓ 9 067 |

| Employer's contribution | | |
|-------------------------|----------|----------|
| Pension fund | UIF | Total |
| ✓ 473 | ✓ 170 | ✓ 643 |

[14]

TOTAL : 200