



# higher education & training

Department:  
Higher Education and Training  
**REPUBLIC OF SOUTH AFRICA**

## **NATIONAL CERTIFICATE (VOCATIONAL)**

### **APPLIED ACCOUNTING**

(Second Paper)

**NQF LEVEL 4**

(3011004)

**27 February 2018 (Y-Paper)**

**13:00–16:00**

**REQUIREMENTS:** BOE8/15 file paper  
Student file

**Nonprogrammable calculators may be used.**

**This question paper consists of 18 pages, 1 addendum and an answer sheet of 4 pages.**

<b>TIME: 3 HOURS</b> <b>MARKS: 200</b>
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## INSTRUCTIONS AND INFORMATION

1. Answer ALL the questions.
  2. Read ALL the questions carefully.
  3. Answer SECTION A and QUESTION 3.4 on the ANSWER SHEETS provided.
  4. Use appropriate accounting software for SECTION B and SECTION C.
  5. A separate set of books is used for SECTION B and SECTION C.
  6. Show ALL your calculations where necessary.
  7. Use the table below to guide you in how much time to spend answering each question.
  8. Write neatly and legibly.
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QUESTIONS	TOPICS	MARKS	RECOMMENDED TIME GUIDE
<b>SECTION A</b>			
1	Short theoretical questions	20	20 minutes
<b>SECTION B</b>			
2	Practical on accounting software	120	110 minutes
<b>SECTION C</b>			
3	Practical on accounting software	60	50 minutes
	<b>TOTAL</b>	<b>200</b>	<b>180 minutes</b>

**SECTION A****QUESTION 1**

1.1 Choose the correct word(s) from those given in brackets. Write only the word(s) next to the question number (1.1.1–1.1.10) on the attached ANSWER SHEET.

- 1.1.1 It is very important when using accounting software to make regular (backups/consolidations) to prevent loss of data due to files becoming corrupt due to a virus.
- 1.1.2 Accumulated depreciation on vehicles is referred to as a negative asset and has a (debit/credit) balance in the trial balance.
- 1.1.3 Customer control is categorised as accounts (payable/receivable).
- 1.1.4 The bank reconciliation compares the transactions in the cash-book to that of the (proof of payments received/bank statement).
- 1.1.5 Discount received at 5% on settling an account of R1 450,00 would be (R69,05/R72,50).
- 1.1.6 The income statement reflects the financial (performance/position) of a business for a specific period of time.
- 1.1.7 When inventory is returned to a supplier, a (debit/credit) note will be generated.
- 1.1.8 The cash receipt journal is arranged according to (source document number/date).
- 1.1.9 Discount allowed on early payment from a customer is subjected to (14%/0%) VAT.
- 1.1.10 Accounting software can be very (expensive/inexpensive) to initially set up.

(10 × 1) (10)

- 1.2 Choose a description from COLUMN B that matches an item in COLUMN A. Write only the letter (A–K) next to the question number (1.2.1–1.2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
1.2.1	Cheque counterfoil	A	month-end procedures
1.2.2	Age analysis	B	used for the return of inventory to customers
1.2.3	Petty cash	C	used to record internal transactions
1.2.4	Supplier invoice	D	used by the company to keep track of customers' outstanding debts according to the different periods
1.2.5	Term code	E	used to set up early payment arrangements
1.2.6	Fixed assets/ noncurrent assets	F	document generated when inventory is purchased on credit
1.2.7	Credit note	G	payments for those items that are too small to be paid by cheque
1.2.8	Sage Pastel Partner	H	source document for the payment of refreshments by cheque
1.2.9	Balance sheet	I	an example of accounting software
1.2.10	Internal memo	J	subjected to depreciation
		K	an example of the financial statement

(10 × 1)

(10)  
[20]**TOTAL SECTION A: 20**

**SECTION B****QUESTION 2****INSTRUCTIONS**

1. Open the account system of Push-Push Appliances (PUSH), which has already been loaded on your computer.
2. Select 'SETUP'.
3. Select 'COMPANY PARAMETERS'.
4. Select 'COMPANY DETAILS', select the company name section and click on 'Educational number'.
5. Press CTRL+SHIFT+T and insert PUSH and your EXAMINATION NUMBER in the block that appears.

Michael Naidoo is the owner of Push-Push Appliances, an undertaking which sells electric and home appliances. Michael decided to use the Pastel accounting program to keep his records up to date. You are appointed as the bookkeeper.

The business is registered for VAT purposes and makes two monthly payments to the South African Receiver of Revenue according to the invoice basis.

The following setup has ALREADY BEEN CREATED in the books of Push-Push Appliances.

1. **ENTRY TYPES**

<b>NO.</b>	<b>ENTRY TYPES</b>
01	Cash receipts journal (CB 1)
02	Cash payments journal (CB 1)
03	General journal
04	Petty cash receipts journal (CB 2)
05	Petty cash payments journal (CB 2)
06	Customers journal
07	Suppliers journal
08	Customers allowances journal
09	Suppliers allowances journal
10	Bad debts journal
11	Interest-charged journal
12	Stock journal

## 2. PERIODS

The financial period starts on 1 March 2016 and ends on 28 February 2017.

## 3. TAX (VAT)

VAT will be captured according to the invoice basis. Refer to the attached ADDENDUM concerning the admissible deductions with regard to INPUT TAX.

## 4. SUPPLIERS

SUPPLIER CODE	SUPPLIER
BO002	Bonjo Furn
NA003	Nana CC
PE004	Pearl Appliances

## 5. CUSTOMERS

CUSTOMER CODE	CUSTOMER	BALANCE (28/02/2016)
CZ99	Cash sales	
JE001	Jennifer Speedy	R17 350,00
BE002	Beauty Zweni	R15 578,12
RO003	Robert Alwyn	R26 540,12

## 6. INVENTORY

Inventory is marked up at 45% on the cost price

INVENTORY CODE	INVENTORY ITEM	COST PRICE
DEF001	Defy oven	R2 100,00
DEF003	Defy washing machine	R8 750,00
KEL005	Kelvinator dishwasher	R4 300,00
KIC006	KIC freezer	R6 250,00
KIC007	KIC fridge	R4 350,00
KLK001	4-plate Kelvinator stove	R5 420,00
LGM002	LG microwave oven	R1 500,00
LGY007	LG fridge	R6 750,00
SAM002	Samsung microwave oven	R1 200,00
SAV004	Samsung washing machine	R5 200,00

## 7. TERM CODES

15% discount within 30 days  
 10% discount within 30 days  
 5% discount within 60 days

## 8. TAKE-ON BALANCES

**NOTE:** Capture the following take-on balances. The opening balances of the suppliers have not been captured. Use the following information to process the opening balances in the relevant journal:

**SUPPLIERS AGE ANALYSIS ON 29/02/2016**

SUPPLIER	60 DAYS	30 DAYS	CURRENT	TOTAL
Bonjo Furn	R 2 850,00	0,00	R2 550,00	R5 400,00
Nana CC	0,00	R2 039,00	R2 900,00	R4 939,00
Pearl Appliances	R2 410,39	R1 650,00	R4 150,00	R8 210,39
TOTAL				R18 549,39

Print the journal with contra accounts and update the batch.

**REQUIRED**

- Process the take-on balances for the suppliers as given above.
- Use the source documents and information provided below to record in the appropriate journals and generate the documents in the books of Push-Push Appliances for March 2016.
- Continue to use the account structure for the general ledger that has been set up. If there is NO account into which a transaction can be entered, such an account must be created.
- Print all the documents after processing. When printing journals, select 'print with contras'.
- Update the documents and journals.
- See page 14 for a full list of the printouts to be handed in for marking. Hand in the printouts in the same order as on page 14. FIVE marks will be deducted if printouts are not handed in in the same order as indicated in the question paper.

**CREDIT PURCHASES****TAX INVOICE: BTL001**


**NOS**  
Newcastle Office Shop

**To:** Push-Push Appliances  
201 Lamula Street  
Newcastle  
2940

VAT Reg. No. 98/10045225  
Tel: (034) 999 2197  
4 Tom Avenue  
Osizweni  
2952

**Date:** 01/03/2016

Quantity	Description	Unit Price	Total
2	Kelvinator dishwasher	R4 300 00	R8 600 00
3	Kelvinator 4-plate stove	R5 500 00	R16 500 00
		Subtotal	R25 100 00
		10% discount	R2 510 00
			R22 590 00
		VAT 14%	R3 162 60
		<b>TOTAL</b>	<b>R25 752 60</b>

Push-Push Appliances decided to use a new supplier, Newcastle Office Shop.

Create the supplier using code: NOS006; Contact person: Jane Smith;  
Cellphone number: 071 354 4658.



**TAX INVOICE**

PR2325

VAT: 98/90807022

**PEARL APPLIANCES**

To: Push-Push Appliances  
201 Lamula Street  
Newcastle  
2940

Date: 03/03/2016  
Tel: (034) 9876543  
38 Mzumbe Ave  
Ncandu Park  
2940

<b>Terms:</b>	12,5% Trade discount 10% within 30 days				
Quantity	Description	Unit Price		Total	
10	LG Fridge	6 550	00	65 500	00
6	KIC Freezer	6 250	00	37 500	00
Subtotal				103 000	00
12.5% Trade discount				12 875	00
				90 125	00
VAT 14%				12 617	50
<b>TOTAL</b>				<b>102 742</b>	<b>50</b>

<b>TAX INVOICE</b>						
NO BPT78						
To: <i>Push-Push Appliances</i> 201 Lamula Street Newcastle 2940		 <b>BONGO FURN</b>		VAT Reg. No. 98/908070		
				Tel: (034) 456 4356 232 Sishego Rd Kwamdakane 2950		
Date: 20/03/2016						
Quantity	Description	Unit Price		Total		
13	Defy oven	2 100	00	27 300	00	
9	Samsung microwave oven	1 200	00	10 800	00	
6	Double-door fridge LG	7 500	00	45 000	00	
<b>Terms:</b>	5% within 60 days		Subtotal		83 100	00
			15% Trade discount		12 465	00
					70 635	00
			VAT 14%		9 888	90
			<b>TOTAL</b>		<b>80 523</b>	<b>90</b>

Push-Push Appliances is launching a new product.  
Create double-door fridge LG using code: DDF003

**TAX INVOICE**

☎(034) 787 7841  
174 Parys Road, Berry Hertzog, 2940



Invoice no: NAN244

VAT Reg. No.  
92/6275839

To: Push-Push Appliances  
201 Lamula Street  
Newcastle  
2940

**Terms:** 10% within 30 days

Date: 28/03/2016

Quantity	Description	Unit Price	Total
12	LG microwave	1 500 00	18 000 00
4	KIC fridge	4 400 00	17 600 00
2	Defy washing machine	8 750 00	17 500 00
Subtotal			53 100 00
			0 00
VAT 14%			7 434 00
<b>TOTAL</b>			<b>60 534 00</b>

**RETURNS TO SUPPLIERS**

DATE	SUPPLIER	DETAILS
12/03/2016	Pearl Appliances	1 LG fridge – faulty settings 2 KIC freezer – dented doors

**CREDIT AND CASH SALES**

- Account CZ99 is used for all cash transactions.
- All cash sales customers receive a 10% cash discount on all purchases.
- Insert the customer's name and address for all cash customers in the 'delivery address' field.

DATE	CUSTOMER	TERMS	DETAILS
07/03/2016	Cash sales Patricia Majalisa 12 Renoster Avenue Amajuba Park		2 - Kelvinator 4-plate stove 1 - Defy oven 1 - LG double-door fridge
12/03/2016	Jennifer Speedy	5% in 60 days 12,5% Trade discount	1 - LG microwave oven 2 - Kelvinator dishwasher 2 - KIC freezer
18/03/2016	Robert Alwyn	5% Trade discount	1 - KIC fridge 2 - Samsung microwave oven 1 - Defy washing machine
24/03/2016	Cash sales Bernard Parker 19 Mondlo Road Newcastle		1 - Samsung washing machine 1 - KIC freezer 1 - LG fridge
28/03/2016	Mandla Mbokazi (New credit customer) Code: MM004 19 Izoso Street Newcastle 2940	5% in 60 days	1 - Kelvinator 4-plate stove 1 - 1 KIC fridge

**RETURN FROM CUSTOMERS**

DATE	CUSTOMER	DETAILS
23/03/2016	Robert Alwyn	1 - Defy washing machine – faulty plug
30/03/2016	Mandla Mbokazi	1 - KIC fridge – incorrect colour


**PETTY CASH (CB 2)**

DATE	DETAILS	VOUCHER	AMOUNT
05/03/2016	SaveMart – Pencil and erasers	V01	R55,55
06/03/2016	Wages – Casual worker	V02	R250,00
15/03/2016	Pick 'n Pay – Cleaning material	V03	R300,00

**CASH REGISTER ROLLS**

07/03/2016 CRR101 R30 408,59	24/03/2016 CRR102 R 27 076,14
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**DUPLICATE OF RECEIPTS ISSUED**



**RECEIPT  
No. 73**

20/03/2016


Received from: *Anderson Estates*

Amount: *Four thousand five hundred rand* R4 500,00

For: *Rent received*

Received: *M. Martins*

Create an account for rent received.



**RECEIPT  
No. 74**

30/03/2016

Received from: *Robert Alwyn*

Amount: *?* R ?

For: *Full settlement of account (10% discount given)*

Received: *M. Martins*

**DETAILS OF DEPOSITS**

DATE OF DEPOSIT	DEPOSIT SLIP NUMBER
10/03/16	D3/01
25/03/16	D3/02
31/03/16	D3/03

**CHEQUE COUNTERFOILS**

01/03/2016		<b>301</b>
<b>TO:</b>	Office Supplies	
<b>FOR:</b>	Office desk	
<b>AMOUNT:</b>	R27 300,00	

03/03/2016		<b>302</b>
<b>TO:</b>	Penny Stationers	
<b>FOR:</b>	Stationery	
<b>AMOUNT:</b>	R525,32	

16/03/2016		<b>303</b>
<b>TO:</b>	Bonjo Furn	
<b>FOR:</b>	Settlement of opening balance	
<b>AMOUNT:</b>	R5 100,00	

16/03/2016		<b>304</b>
<b>TO:</b>	Caltex garage	
<b>FOR:</b>	Petrol	
<b>AMOUNT:</b>	R1 250,90	

28/03/2016		<b>305</b>
<b>TO:</b>	Durban Promotions	
<b>FOR:</b>	Advertisements	
<b>AMOUNT:</b>	R2 550,50	

Create an account for advertisements.

**ADDITIONAL PRINTOUTS REQUIRED**

Michael Martin instructed you to print the customer detailed ledger for Robert Alwyn for March 2016.

**NOTE:** The PRINTOUTS should be handed in in the following order:

The following PRINTOUTS should be generated and handed in for marking:

2.1	Journal used to process suppliers' opening (take-on) balances	(9)
2.2	Suppliers' invoices	(33)
2.3	Return and debit notes	(9)
2.4	Tax invoices	(31)
2.5	Credit notes	(10)
2.6	Petty cash journal	(4)
2.7	Cash receipts journal	(11)
2.8	Cash payments journal	(9)
2.9	Customer detailed ledger for March 2016	(4)
		<b>[120]</b>
	<b>TOTAL SECTION B:</b>	<b>120</b>

**SECTION C****QUESTION 3****INSTRUCTIONS**


1. Open the set of accounts for StarMart (STAR), which has already been loaded on your computer.
2. Select 'SETUP' and 'COMPANY PARAMETERS'.
3. Select 'COMPANY DETAILS', select the company name section and click on 'Educational number'.
4. Press CTRL+SHIFT+T and insert STAR and your EXAMINATION NUMBER in the block that appears.

**REQUIRED**

- Use the information provided below to complete the reconciliation process and the month-end adjustments for March 2016, Period 1, in the books of StarMart. This is their first processing month.
- Continue to use the account structure for the general ledger that has been set up. If there is NO account into which a transaction can be entered, such an account should be created.
- Print all the documents after processing. When printing journals, select 'print with contras'.
- Update the journals.
- See page 18 for a full list of the printouts to be handed in for marking. Hand in the printouts in the same order as indicated on page 18. FIVE marks will be deducted if printouts are not handed in in the correct order as indicated on the question paper.

3.1 Use the following information to:

- |       |   |      |
|-------|---|------|
| 3.1.1 | Complete and print (after the bank reconciliation) the cash receipts journal with the additional entries. | (4)  |
| 3.1.2 | Complete and print (after the bank reconciliation) the cash payments journal with the additional entries. | (13) |
| 3.1.3 | Follow the reconciliation process and print the bank reconciliation statement.                            | (8)  |


 14 Mngeni Road, Durban 4000 Tel 031 548 2568 Fax 031 548 2569			
StarMart 129 Main Road Durban 4000		BANK STATEMENT Statement 1 Page 1	
Account No.: 2578 6547 25		Date: 30/03/2016	
DATE	DETAILS	DEBIT (-) CREDIT (+)	BALANCE
01/03/2016	Deposit D3/1	50 000,00+	50 000,00
01/03/2016	EFT1	15 000,00-	35 000,00
06/03/2016	Debit order X900	6 000,00-	29 000,00
07/03/2016	Cheque 003	500,00-	28 500,00
09/03/2016	Cheque 002	298,99-	28 201,01
12/03/2016	Service fees	124,89-	28 076,12
16/03/2016	Cheque 004	17 603,08-	-10 473,04
17/03/2016	Cheque 001	21 759,99-	-11 286,95
20/03/2016	Cheque 006	3 000,00-	-14 286,95
20/03/2016	P001	2 541,00+	-11 745,95
25/03/2016	Deposit D3/2	8 182,35+	-3 563,60
25/03/2016	Cheque 005	240,00-	-3 803,60
26/03/2016	INT	540,00-	-4 343,60


#### ADDITIONAL INFORMATION


- The EFT1 on 01/03/16 is an electronic fund transfer to Round Angle for equipment purchased.
- Debit order X900 is the shop rental for March to Bahama Estates.
- The credit on 20/03/16 is a direct deposit from a customer, Pouw Boland, for payment on his account. R50,00 discount was given.
- Interest on the bank overdraft was debited off the bank account, INT. Create the interest on overdraft account and capture the interest.
- Identify and record the bank charges for the month.



3.2 SUNDRY TRANSACTIONS FOR MARCH 2016

	
<b>OFFICE MEMO 3/1</b>	
TO: Bookkeeper	DATE:31/03/2016
An amount of R750,00 that forms part of the telephone account was erroneously recorded in the water and electricity account. Correct the error.	

	
<b>OFFICE MEMO 3/2</b>	
TO: Bookkeeper	DATE:31/03/2016
The owner took stock to the value of R8 550,00 selling price (cost price R6 500,00) for personal use. (Ignore the quantity adjustment)	

	
<b>OFFICE MEMO 3/3</b>	
TO: Bookkeeper	DATE:31/03/2016
Calculate and record depreciation on office equipment at 15% p.a. on cost price for March 2016.	

(10)

3.3 ADDITIONAL PRINTOUTS REQUIRED

3.3.1 Print the general ledger of the office equipment account. (4)

3.3.2 Generate a general ledger master listing showing other income and expenses on ONE printout. (4)

## 3.4 VAT

You are Sam Mkhize, the bookkeeper of StarMart. StarMart's VAT number is 6042973211. You completed the form on 10 March 2016. Complete the VAT 201 form with the following information:

VAT REPORT FOR 2 PERIODS AS AT 29 FEBRUARY 2016						
	OUTPUT TAX		INPUT TAX		NET TAX	
	Tax	Gross	Tax	Gross	Tax	Gross
Standard	-31 807,01	-259 000,00	5 460,30	44 462,47	-26 346,71	-214 537,53
Capital			4 555,37	37 093,76	4 555,37	37 093,76
Bad debts	-208,77	-1 700,00	904,93	7 368,71	696,16	5 668,71
<b>TOTAL</b>	<b>-32 015,78</b>	<b>-260 700,00</b>	<b>10 920,60</b>	<b>88 924,94</b>	<b>-21 095,18</b>	<b>-171 775,07</b>

**NOTE:** The printouts should be handed in in the following order:

- Cash receipts journal (after the bank reconciliation) (4)
  - Cash payments journal (after the bank reconciliation) (13)
  - Bank reconciliation (8)
  - General journal (10)
  - Office equipment general ledger account (4)
  - General ledger master listing (4)
  - VAT 201 form (17)
- [60]**
- TOTAL SECTION C: 60**  
**GRAND TOTAL: 200**

**ADDENDUM****ADMISSIBLE DEDUCTIONS WITH REGARD TO INPUT TAX**

	Is VAT charged?		Input VAT deductible	
	YES	NO	YES	NO
Advertisements	X		X	
Bank charges				
Service fee	X		X	
Rent paid	X		X	
Discount allowed	X		X	
Discount received	X		X	
Cleaning material	X		X	
Fuel		X		
Interest on overdraft		X		
Interest received		X		
Repairs	X		X	
Postage	X		X	
Rent received	X		X	
Salaries and wages		X		
Stationery	X		X	
Telephone	X		X	
Office furniture	X		X	
Water and electricity	X		X	
Vehicles	X		X	

ANSWER SHEET EXAMINATION NUMBER:

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CENTRE NUMBER:

--	--	--	--	--	--	--	--	--

**SECTION A**

**QUESTION 1**

1.1 1.1.1 \_\_\_\_\_

1.1.2 \_\_\_\_\_

1.1.3 \_\_\_\_\_

1.1.4 \_\_\_\_\_

1.1.5 \_\_\_\_\_

1.1.6 \_\_\_\_\_

1.1.7 \_\_\_\_\_

1.1.8 \_\_\_\_\_

1.1.9 \_\_\_\_\_

1.1.10 \_\_\_\_\_

(10 × 1) (10)

1.2 1.2.1 \_\_\_\_\_

1.2.2 \_\_\_\_\_

1.2.3 \_\_\_\_\_

1.2.4 \_\_\_\_\_

1.2.5 \_\_\_\_\_

1.2.6 \_\_\_\_\_

1.2.7 \_\_\_\_\_

1.2.8 \_\_\_\_\_

1.2.9 \_\_\_\_\_

1.2.10 \_\_\_\_\_

(10 × 1) (10)  
**[20]**





ANSWER SHEET EXAMINATION NUMBER:

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CENTRE NUMBER:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Please submit the original return and retain a copy for your records. (As in BRS and Functional Spec)



DRAFT - FOR SIGN OFF

Vendor Declaration

VAT201

BCALC01

**B. Calculation of Input Tax**

Capital goods and/or services supplied to you

14	R																		
----	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Capital goods imported by you

14A	R																		
-----	---	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Other goods and/or services supplied to you (not capital goods)

15	R																		
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Other goods imported by you (not capital goods)

15A	R																		
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**Adjustments:**

Change in use

16	R																		
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Bad debts

17	R																		
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Other

18	R																		
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**Total B: TOTAL INPUT TAX (14+14A+15+15A+16+17+18)**

19	R																		
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**VAT PAYABLE/REFUNDABLE (Total A - Total B)**

20	R																		
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**Total input Tax (Hidden Field)**

R																			
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(6)

TOTAL SECTION C: 60  
GRAND TOTAL: 200