



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

FINANCIAL ACCOUNTING N4

6 June 2025

This marking guideline consists of 7 pages.

QUESTION 1

1.1 BEAUTY OASIS

STATEMENT OF CASH FLOW FOR THE YEAR ENDING 30 JUNE 2024			
	NOTES	RAND	RAND
Cash flow from operating activities			189 000✓
Cash received from customers	1	1 884 250	✓
Cash paid to suppliers and employees		(1 537 525)	✓
Cash generated from operations		346 725	✓
Interest expense (600 + 83 250)		(83 850)	✓✓✓
Interest received [(R12 500 x 18%) x 6÷12]		1 125	✓✓
Drawings		(75 000)	✓
Cash flow from investing activities			(563 250)✓
Additions to land and buildings		(300 000)	✓
Additions to equipment		(42 500)	✓
Additions to vehicles		(274 250)	✓
Proceeds from sale of vehicles		66 000	✓
Increase in investments		(12 500)	✓
Cash flow from financing activities			364 250✓
Capital contribution (543 500 – 514 500)		29 000	✓✓
Increase in mortgage bond (650 000 – 314 750)		335 250	✓✓
Net cash movement for the year			(10 000)✓
Cash and cash equivalents at the beginning of the year (6 900 + 250 + 350)			7 500✓✓
Cash and cash equivalents at the end of the year (500 – 3 000)			(2 500)✓✓

(26)

1.2 CALCULATION OF CASH RECEIVED FROM CUSTOMERS:

	RAND
Revenue	1 887 750 ✓
Add: Trade receivables at the beginning of the year	25 000 ✓
Less: Trade receivables at the end of the year	(28 500) ✓
Cash inflow for the year	1 884 250 ✓

(4)
[30]

QUESTION 2

2.1

BLOSSOM & BARK DEPARTMENTAL PURCHASES ACCOUNT							
	TOTAL	FRAGRANT OILS	BODY SOAPS		TOTAL	FRAGRANT OILS	BODY SOAPS
Bank	2 150 000	1 850 000✓	300 000✓	Drawings*	20 000	0	20 000✓✓
Trade payable control	213 000	150 000✓	63 000✓	Donations	9 000	9 000✓	
Transfer	142 000		142 000✓	Transfer	142 000	142 000✓	
				Trading account✓	2 334 000	1 849 000	485 000
	2 505 000	2 000 000	505 000		2 505 000	2 000 000	505 000

*Drawings: $(25\,000 \times 100 \div 125) = 20\,000$

(10)

2.2

BLOSSOM & BARK DEPARTMENTAL TRADING STATEMENT FOR THE YEAR ENDING 30 JUNE 2024			
DETAILS	TOTAL	FRAGRANT OILS	BODY SOAPS
Revenue OILS: $(5\,000\,000 - 250\,000✓ - 375\,000✓ - 300\,000✓)$ SOAPS: $(1\,150\,000 - 52\,345✓ - 10\,000✓)$	4 656 000	4 075 000✓	1 087 655✓
Less: Cost of sales		(1 840 500)	(400 000)
Opening inventory (2023/07/01)		85 000 ✓	9 000 ✓
Add: Purchases		1 849 000 ✓	485 000 ✓
Add: Carriage on purchases		290 000 ✓	15 000 ✓
Add: Import duty $(157\,995 + 25\,075✓)$		183 070 ✓	35 600 ✓
Less: Closing inventory		(566 570)✓	(144 600)✓
Gross profit/(loss)		2 234 500✓	687 655✓

(20)

[30]

QUESTION 3

3.1

GENERAL LEDGER OF LOCAL TENNIS CLUB NOMINAL ACCOUNTS

DR			MEMBERSHIP FEES			CR	
30 Jun	Income receivable	30 000✓	30 Jun	Total b/d		1 240 000✓	
	Income received in advance	55 000✓		Credit losses (30 000 – 15 000)		15 000✓	
	Income & expenditure	1 250 000✓		Income receivable (balancing figure)		80 000 ☑	
		1 335 000				1 335 000	

(6)

3.2

LOCAL TENNIS CLUB STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDING 30 JUNE 2024		
INCOME		1 378 370
Membership fees	1 250 000✓	
Entrance fees	50 000 ✓	
Surplus (Nadal Tournament) (181 970 – 103 600✓)	78 370 ✓	
EXPENSES		(960 690)
Credit losses (membership fees written off)	(15 000)✓	
Affiliation fees	(25 000)✓	
Stationery (3 675 – 1 245)	(2 430)✓	
Bank charges	(2 725)✓	
Telephone (16 285 + 1 970✓)	(18 255)✓	
Salaries and wages (296 620 - 500✓)	(296 120) ✓	
Refreshments (21 170 – 17 510✓)	(3 660)✓	
Depreciation New: (175 000 @ 20% x 6/12✓) = 17 500✓ OLD: (2 525 000 @ 20%) = 505 000✓	(522 500) ✓	
SA Tennis Open tournament	(75 000)✓	
Surplus from general activities		417 680
Interest income		94 250
Interest on investment (750 000 @ 20% ÷ 2✓)	75 000✓	
Interest on fixed deposit (175 000 @ 22% x 6/12✓)	19 250✓	
Net surplus for the year		510 180✓
[For the mark to be allocated, the candidate MUST have the correct description NET SURPLUS FOR THE YEAR]		

(24)

[30]

QUESTION 4

4.1 WAGES JOURNAL OF GCB TRADERS FOR THE WEEK ENDING 29 APRIL 2021

Employees	INCOME						GROSS WAGES
	Normal time			Overtime			
	Hours	Rate	Amount	Hours	Rate	Amount	
X. Nkosi	38	R80	3 040✓	0	R120	0✓	3 040☑
Y. Ngubani	40	R90	3 600✓	10	R135	1 350✓	4 950☑
Z. Ndlovu	40	R100	4 000✓	5	R150	750✓	4 750☑
TOTALS	10 640			2 100			12 740

(9)

Employees	DEDUCTIONS					
	Pension fund	PAYE	Medical aid	UIF	Staff fund	Total
X. Nkosi	836.00 ✓	396.72✓✓	305.00✓✓	30.40 ✓	25.00✓	1 593.12 ☑
Y. Ngubani	990.00 ✓	712.80✓✓	105.00✓✓	49.50 ✓	25.00✓	1 882.30 ☑
Z. Ndlovu	1 100.00 ✓	657.00✓✓	520.00✓✓	47.50 ✓	25.00✓	2 349.50 ☑
TOTALS	2 926.00	1 766.52	930.00	117.40	75.00	5 824.92

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(Do NOT award a mark if the candidate rounded to the nearest RAND.)

Employees	NET WAGES
	Total
X. Nkosi	1 446.88☑
Y. Ngubani	3 067.70☑
Z. Ndlovu	2 400.50☑
	<u>6 915.08</u>

(3)

Employer contributions	EMPLOYER CONTRIBUTIONS			
	Pension fund	Medical aid	UIF	Total
	5 852.00✓	465.00✓	117.40✓	6 434.40 ☑

(4)

- 4.2
- 4.2.1 False
 - 4.2.2 False
 - 4.2.3 False
 - 4.2.4 False
 - 4.2.5 True

(5 × 2) (10)
[50]

QUESTION 5

5.1

SALON BLESSING BEAUTY		
5.1 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2024		
	RAND	RAND
Revenue (478 943 – 10 800✓ – 10 000✓)		458 143 ✓
Less: Cost of sales		(60 000) ✓
Opening inventory	13 708	✓
Add: Purchases (106 420 – 6 420✓ – 2 165✓)	97 835	✓
Carriage on purchases	40 180	✓
Custom duty (11 400 + 600✓)	12 000	✓
	163 723	
Less: Closing inventory	(103 723)	✓
Gross profit		398 143 ✓
OTHER INCOME		61 800 ✓
Credit losses recovered	13 800	✓
Rent income (24 000 + 24 000✓)	48 000	✓
GROSS INCOME FOR THE YEAR		459 943 ✓
Less: Distribution, administrative and other expenses		(433 543)
Carriage on revenue	(43 020)	✓
Credit losses (16 130 + 4 800✓)	(20 930)	✓
Packing material (12 000 – 2 277✓)	(9 723)	✓
Salaries (173 800 + 191 180) [(173 800 ÷ 10✓ = 17 380 × 110/100✓ = 19 118)] [19 118 × 2 = 38 236✓ + 173 800]	(212 036)	✓
Stationery	(5 914)	✓
Sundry expenses (86 220 – 6 000✓) [(24 000 ÷ 12 = 2 000 × 3 = 6 000)]	(80 220)	✓
Depreciation (28 000 + 22 500) E: (157 800 – 17 800✓) × 20% = 28 000; V: (130 000 × 15%) = 19 500✓ + (40 000 × 15% × 6/12) = 3 000✓✓ [22 500]✓✓✓	(50 500)	✓
Allowance for credit losses adjustment (144 800 – 4 800) × 8%✓	(11 200)	✓
Less: Finance cost		(23 100) ✓
Interest on loan (24 800 + 1 600) [(240 000 × 11% × 6÷12) + (240 000 × 11% × 6÷12)]	(23 100)	✓✓
Net profit / (loss) for the year		3 300
Other comprehensive income for the year		-
Total comprehensive income/(loss) for the year		3 300 ✓

Do NOT award a ✓ mark if the candidate does not have a description or has the wrong description.

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ALL candidates must use the correct terminology as per the International Financial Reporting Standards (IFRS), as they will be required to apply their knowledge in the workplace during their 18 months of practical experience after their N4 tot N6 studies.

5.2 **NOTES TO THE STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2024**

NOTE 1: PROPERTY, PLANT AND EQUIPMENT

	EQUIPMENT	VEHICLES	TOTAL
Carrying value at 1 July 2023	140 000✓	45 000✓	185 000
Cost	157 800✓	130 000✓	287 800
Accumulated depreciation	(17 800) ✓	(85 000) ✓	(102 800)
Additions at cost		40 000✓	40 000
Depreciation	(28 000) ☑	(22 500) ☑	(50 500)
Carrying value at 30 June 2024	112 000 ☑	62 500 ☑	174 500☑
Cost	157 800	170 000	327 800
Accumulated depreciation	(45 800) ☑	(107 500) ☑	153 300

NOTE 2: TRADE AND OTHER RECEIVABLES			
Trade and other receivables			152 800☑
Trade receivables control (144 800 – 4 800)		140 000	✓
Less: Allowance for credit losses		(11 200)	✓
		128 800	
Add: Income receivable		24 000	☑
Rent income	24 000✓		

(19)
[60]

TOTAL: 200