



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

FINANCIAL ACCOUNTING N4

26 November 2024

This marking guideline consists of 7 pages.

QUESTION 1

- 1.1 J
- 1.2 F
- 1.3 C
- 1.4 E
- 1.5 G
- 1.6 H
- 1.7 D
- 1.8 B
- 1.9 A
- 1.10 I

(10 × 2) [20]

QUESTION 2

- 2.1 R118 641 (R170 859 – R49 650 – R650 – R1 520 – R398) = R118 641 (2)
- 2.2 Debit (2)
- 2.3 Total amount due by customers (Accept any similar description) (2)
- 2.4 Sales (2)
- 2.5 2.5.1 Petty Cash Journal 4 or PCJ4 (Accept both answers)
2.5.2 General Journal 4 or GJ4 (Accept both answers)
(2 × 2) (4)
- 2.6 Sales returns (2)
- 2.7 Dishonoured (R/D) cheque

or

Cheque/EFT refunds to debtors (Accept ONE answer) (2)
- 2.8
 - Credit losses
 - Transfer of balance (from trade receivables and payables ledger)
 - Correction of error (Accept any TWO answers)(2 × 2) (4)
- 2.9 Journal voucher/Narration (2)

[22]

QUESTION 3

3.1

GRU TRADERS STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2021

	RAND	RAND
Revenue		✓699 800
Less: Cost of sales		(366 530) ☒
Opening inventory	✓(48 680)	
Add: Purchases (356 900 – 16 400 – 11 500)	✓✓ ☒ (329 000)	
Carriage on purchases	✓(19 650)	
Import duty	✓(17 500)	
Less: Closing inventory	✓48 300	
Gross profit		333 270
OTHER INCOME		102 405
Interest on fixed deposit (29 000 – 3 500)	✓✓25 500	
Rent received (36 000 + 39 600)	✓✓75 600	
Allowance for credit losses adjustment (27 800 – 3 900) × 5% = 1 195 therefore R2 500 – R1 195 = R1 305	✓ ☒ 1 305	
GROSS INCOME FOR THE YEAR		☒ 435 675
Less: Distribution, administrative and other expenses		☒ (484 440)
Carriage on sales	(18 400) ✓	
Credit losses (9 850 + 3 900)	✓✓(13 750)	
Consumable stores (5 460 – 780)	✓✓(4 680)	
Depreciation (76 800 + 127 950) (480 000 – 96 000) = 384 000 @ 20% = 76 800 ✓✓ OLD: (920 500 – 135 000) = 785 500 @ 15% = 117 825 ✓ NEW: 135 000 @ 15% × 6/12 = 10 125 ✓	☒ (204 750)	
Insurance (11 300 + 2 260) (11 300 ÷ 10 × 12)	✓ ☒ (13 560)	
Salaries	✓(192 500)	
Water and electricity	✓(36 800)	
Less: Finance cost		(45 900)
Interest on loan (21 300 + 24 600) (300 000 @ 18% × 3/12) + (240 000 @ 18% × 9/12)	✓ ☒ (45 900)	
Net (loss) for the year		☒ (94 665)
Other comprehensive income for the year		-
Total comprehensive income/(loss) for the year		(94 665)

(36)

Do not award a ☒ mark if the candidate does not have a description or have the wrong description.

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 course during their 18 months of practical experience after their N4–N6 studies.

3.2

**NOTES TO THE STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2021**

1. PROPERTY, PLANT AND EQUIPMENT

	LAND AND BUILDINGS	EQUIPMENT	VEHICLES	TOTAL
Carrying value on 1 July 2020	1 391 360	384 000	636 500	2 411 860
Cost	✓1 391 360	480 000✓	✓✓785 500	2 656 860
Accumulated depreciation		(96 000) ✓	✓✓(149 000)	(245 000)
Additions at cost			135 000	135 000
Depreciation		☑ (76 800)	☑ (127 950)	(204 750)
Carrying value on 1 July 2020	✓1 391 360	☑307 200	☑643 550	☑2 342 110
Cost	✓1 391 360	✓480 000	✓920 500	2 791 860
Accumulated depreciation		(172 800)✓	✓(276 950)	(449 750)

(18)

2. INVENTORY

		☑49 080
Inventory (30 June 2021)	✓48 300	
Consumable stores	✓780	

(3)

3. TRADE AND OTHER RECEIVABLES

			☑62 305
Trade receivables control (27 800 – 3 900)	✓☑23 900		
Less: Allowance for credit losses	☑(1 195)		
		22 705	
Add: Accrued income		☑39 600	
Rent received	✓39 600		

(6)

4. CASH AND CASH EQUIVALENTS

			☑41 400
Bank		✓41 200	
Petty cash		✓200	

(3)

5. **TRADE AND OTHER PAYABLES**

			☒ 94 560
Trade payables control		✓64 200	
Add: Accrued expenses		☒ 26 860	
Insurance	✓2 260		
Interest on loan	✓24 600		

(5)

3.3 **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING
30 JUNE 2021**

Balance as at 1 July 2020			✓2 500 000
Less: Total comprehensive (loss) for the year			☒ (94 665)
Less: Drawings			✓(45 000)
Balance as at 30 June 2021			☒ 2 360 335

(4)

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QUESTION 4

MYHOME STORES DEPARTMENTAL TRADING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021			
	TOTAL	FURNITURE	HOME APPLIANCES
Revenue (770 000 – 16 600 – 300) and (880 000 – 12 200)	1 627 200	✓✓759 400	✓✓867 800
Less: Cost of sales	(604 400)	☒ (235 000)	☒ (369 400)
Opening inventory (2020/07/01)	(168 000)	✓(72 200)	✓(95 800)
Add: Purchases F: (240 550 + 95 000 – 1 800 – 4 900) and H: (262 500 + 168 000 – 500 + 1 800)	(760 650)	☒ ☒ ☒ ☒ (328 850)	☒ ☒ ☒ ☒ (431 800)
Carriage on purchases	(38 000)	✓ (23 000)	✓(15 000)
Import duty (8 900 + 1 100)	(16 500)	✓ (6 500)	✓✓(10 000)
Less: Closing inventory	378 750	✓195 550	✓183 200
Gross profit	1 022 800	☒ 524 400	☒ 498 400

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QUESTION 5

5.1

DR		TUCK SHOP TRADING ACCOUNT		CR	
1 Mar	Opening inventory	✓187 800	28 Feb	Sales	✓298 500
28 Feb	Purchases	✓129 500		Closing inventory	✓95 500
	Income and expenditure	✓76 700			
		394 000			394 000

Do not award a mark if student wrote surplus or gross profit.

(5)

5.2

DR		MEMBERSHIP FEES ACCOUNT		CR	
1 Mar	Income receivable	✓4 800	1 Mar	Income received in adv.	✓10 800
28 Feb			28 Feb	Bank 2020	✓3 600
				Bank 2021	✓56 400
	Income received in adv.	✓6 000		Bank 2022	✓6 000
	Bank (refunds)	✓8 400		Credit losses (4 800 – 3 600)	✓✓1 200
	Income and expenditure✓	✓68 400		Income receivable (8 × 1 200)	✓✓9 600
		87 600			87 600

Also accept BANK = R66 000 for three marks on the credit side.

Description and amount must be correct to receive one mark.

(13)

[18]

QUESTION 6

6.1

CALCULATION OF CASH RECEIVED FROM CUSTOMERS:

	RAND
Revenue	✓888 000
Add: Trade receivables at the beginning of the year	✓✓58 700
Less: Trade receivables at the end of the year	(✓✓188 650)
Cash inflow for the year	✓758 050

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6.2 **CALCULATION OF CASH PAID TO SUPPLIERS AND EMPLOYEES:**

	RAND
Revenue (Accept both an answer in brackets and without)	✓(888 000)
Less: Net profit for the year (Accept both an answer in brackets and without)	✓31 650
Expenses for the year (This answer must be in brackets to award the mark)	✓856 350)
<i>Adjustments for non-cash items:</i>	
Interest received	✓✓(16 800)
Depreciation	✓✓327 000
Loss on sale of non-current assets	✓✓10 000
Interest expense	✓✓28 000
Add: Inventory at the beginning of the year	✓✓54 000
Less: Inventory at the end of the year	✓✓(182 400)
Less: Trade payables at the beginning of the year	✓✓(180 000)
Add: Trade payables at the end of the year	✓✓237 550
	☑579 000

(20)

6.3 **RECONCILIATION OF NET PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

MINION STATIONERS		
NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED		
31 DECEMBER 2020		
	RAND	RAND
Net profit before taxation (given)		✓31 650
Adjustments for:		
Interest received		✓(16 800)
Depreciation		✓327 000
Loss on sale of non-current assets		✓10 000
Interest expense		✓28 000
Operating profit before working capital changes:☑		379 850
Working capital changes:		☑(200 80)
Decrease/(Increase) in inventory	✓✓(128 400)	
Decrease/(Increase) in trade and other receivables	✓✓(129 950)	
(Decrease)/Increase in trade and other payables	✓✓57 550	
		☑179 050

(14)
[40]

TOTAL: 200