



education

Department:
Education
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE (VOCATIONAL)

NOVEMBER 2010

**FINANCIAL MANAGEMENT
NQF LEVEL 3**

23 NOVEMBER 2010

This marking guideline consists of 20 pages.

QUESTION 1

1.1.1	D	✓✓	(2)
1.1.2	C	✓✓	(2)
1.1.3	B	✓✓	(2)
1.1.4	F	✓✓	(2)
1.1.5	A	✓✓	(2)
1.2.1	B	✓✓	(2)
1.2.2	B	✓✓	(2)
1.2.3	D	✓✓	(2)
1.2.4	C	✓✓	(2)
1.2.5	D	✓✓	(2)
1.3.1	non-current assets	✓✓	(2)
1.3.2	deposited	✓✓	(2)
1.3.3	straight-line	✓✓	(2)
1.3.4	Bank reconciliation	✓✓	(2)
1.3.5	Internal	✓✓	(2)
1.4.1	asset	✓✓	(2)
1.4.2	Asset disposal	✓✓	(2)
1.4.3	Input	✓✓	(2)
1.4.4	balance sheet	✓✓	(2)
1.4.5	capital budgeting/investment appraisal	✓✓	(2)

Question 1.4.5 Give marks to candidate (Level 4 work)

[40]

QUESTION 2**2.1****Cash Receipts Journal of Somi Trading – February 2010****CRJ 1**

Doc.	Day	Details	Analysis	Bank	Debtors Control	VAT 14%	Sales	Cost of Sales	Fol.	Amount of sundries	Details of Sundries
CRR1 or ✓	3	Sales	10 260,00	10 260,00✓		1 260,00✓	9 000,00✓	7 200,00			
CRR2 or ✓	8	Sales	6 384,00	6 384,00✓		784,00✓	5 600,00✓	4 480,00			
						2 044,00✓					

Students must have ALL details otherwise -1**(Doc + Day + Details + Analysis + Bank)****(Total mark = method mark)****Students must have BOTH Cost of Sales
otherwise -1****(7)**

2.2**Cash Payments Journal of Somi Trading – February 2010****CPJ1**

Doc No	Day	Payee	Bank	Creditors Control	VAT 14%	Trading stock/ Inventory	Sundry Account	Fol.	Details of sundry accounts
001	10	City Stationers	1 700,00✓		208,77✓		1 491,23✓		Stationery
002	12	Hoza Traders	4 000,00✓		491,23✓	3 508,77✓			
					700,00✓				

Students must have ALL details otherwise -1**Students must have correct
Accounts details otherwise -1****(Doc + Day + Payee + Bank)
(Total mark = method mark)****(7)**

2.3**Debtors' Journal of Somi Trading – February 2010****DJ1**

Doc.	Day	Details	Debtors Control	VAT 14%	Sales	Cost of Sales
05	10	V. Maso	2 907,00✓	357,00✓	2 550,00✓	2 040,00
06	12	N. Tozo	4 423,20✓	543,20✓	3 880,00✓	3 104,00
				900,20✓		

(-1 for any omission or error).**(BOTH Cost of Sales amounts must be correct otherwise -1).****(Doc + Day + Details + Debtors Control)**
(Total mark = method mark)**(7)**

2.4**Creditors' Journal of Somi Trading – February 2010****CJ1**

Doc.	Day	Details	Creditors Control	VAT 14%	Trading Stock/ Inventory	Sundry Accounts	Fol.	Details of sundry
14	17	T. Mantyi	2 800,00✓	343,86✓	2 456,14✓			
				343,86✓				

(-1 for any omission or error).

(Doc + Day + Details + Creditors Control)**(Total mark = method mark)**

(4)

2.5**Debtors' Allowances Journal of Somi – February 2010****DAJ1**

Doc.	Day	Details	Debtors Control	VAT 14%	Sales	Cost of Sales
03	16	V. Maso	290.70✓	35,70✓	255,00✓	
				35,70✓		

(4)

(-1 for any omission or error).

(Doc + Day + Details + Debtors Control)

(Total mark = method mark)

2.6**Creditors' Allowances Journal of Somi – February 2010****CAJ1**

Doc.	Day	Details	Creditors Control	VAT 14%	Trading stock/ Inventory	Sundry accounts	Fol.	Details of sundry accounts
20	21	T. Mantyi	280,00✓	34,39✓	245,61✓			
				34,39✓				

(-1 for any omission or error).

(Doc + Day + Details + Creditors Control)

(Total mark = method mark)

(4)

Ledger of Somi Trading

Dr					VAT CONTROL ACCOUNT					Cr	
Date	Detail	Fol.	Amount		Date	Detail	Fol.	Amount			
2010 Feb 28	Bank	CPJ1	✓700	00	2010 Feb 28	Bank	CRJ1	✓2 044	00		
	Creditors Control	CJ1	✓343	86		Debtors Control	DJ1	✓900	20		
	Debtors Control	DAJ1	✓35	70		CreditorsControl	CAJ1	✓34	39		
	Balance	c/d	✓1 899	03							
			2 978	59				2 978	59		
					2010 Mar 1	Balance	b/f	1 899	03		

(-1 for omission or error on both debit and credit side).

(7)

[40]✓ **Principal Mark**

QUESTION 3**3.1 SALARIES JOURNAL OF SOMI TRADING FOR NOVEMBER 2010****SJ 2**

No.	Name	Gross Salary	Deductions				Total deductions	Net salary	Employer Contributions		
			Pension fund	PAYE	UIF	Medical aid			Pension	UIF	Med Aid
021	V. Madlebe	✓12 958,33	971,87✓	2 157,56✓	129,58✓	830,00	4 089,01✓	8 869,32✓	1 943,74✓	129,58	830,00
022	M. Pike	✓9 229,17	692,19✓	1 536,66✓	92,29✓	680,00	3 001,14✓	6 228,03✓	1 384,38✓	92,29	680,00
		✓ $\frac{1}{2}$ 22 187,50	✓ $\frac{1}{2}$ 1 664,06	✓ $\frac{1}{2}$ 3 694,22	✓ $\frac{1}{2}$ 221,87	✓ 1 510,00	7 090,15	✓ $\frac{1}{2}$ 15 097,35	✓ $\frac{1}{2}$ 3 328,12	✓ 221,87	✓ 1 510,00

Principal mark for Totals if added correctly.**Calculate PAYE if Pension fund amount was incorrect.****Calculate Total deductions and Net salary.**

(20)

3.2.1

General Ledger of Somi Trading**Dr****Cr****Petty Cash**

Date	Details	Fol.	Amount	Date	Details	Fol.	Amount
2010 April 1	Bank	CPJ1	2 500,00✓	2010 April 30	Total Payments	PCJ1	1 845,55✓
30	Bank	CPJ1	1 845,55✓		Balance	c/d	2 500,00✓
			4 345,55✓				4 345,55✓
May 1	Balance	b/f	2 500,00✓				

Whole line entry must be correct to get mark.
Accept folio without 1.

(7)

3.2

<p style="text-align: right;">No. 010</p> <p>Date: 30 April 2010✓</p> <p>To: Cash✓</p> <p>For: Petty Cash✓</p> <p>Amount: R1 845,55✓</p>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>ABSA 210-220</p> <p>Pay Cash ✓</p> </div> <div style="width: 45%; text-align: right;"> <p>Date: 30 April 2010✓</p> <p>or Order</p> </div> </div> <p style="text-align: center; margin-top: 10px;">One thousand eight hundred and forty five</p> <hr style="width: 100%;"/> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 60%;"> <p style="text-align: right;">Rand</p> <p>fifty five✓</p> </div> <div style="width: 35%; text-align: right;"> <p>Cents</p> </div> </div> <div style="margin-top: 10px; text-align: right;"> <table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 5px;">R1 845</td> <td style="padding: 5px;">55 ✓</td> </tr> </table> </div>	R1 845	55 ✓
R1 845	55 ✓		

Any signature✓

Somi Trading

567 456 7631 201 210-220 010

(9)

3.3

3.3.1 Purchase 3 ring-binders for the office.✓

3.3.2 Payment of postage on a parcel.✓

3.3.3 Purchase of coffee and tea for office.✓

3.3.4 Paid casual labour.✓

(4)

[40]

QUESTION 4**4.1 Cash Receipts Journal of Somi Trading – September 2010****CRJ1**

Doc.	Day	Details	Analysis	Bank	Debtors Control	Sales	Fol.	Sundry Amounts	Details of Sundries
	30	A. Noble		2 200,00✓	2 200,00				
B/S		Gold Bank		240,00✓				240,00	Interest on Current Account or Interest received
				2 440,00✓					

(3)

(-1 if date and details are wrong).

4.1**Cash Payments Journal of Somi Trading – September 2010****CPJ 1**

Doc.	Day	Details	Bank	Creditors Control	Trading Stock	Debtors Control	Wages	Fol.	Sundry Amounts	Details of Sundries
B/S	30	S. Njani (R/D)	600,00✓			600,00				
		Gold Bank	224,00✓						224,00	Bank charges
			120,00✓						120,00	Tax Levy
		One Line Direct	750,00✓						750,00	Insurance
			1 694,00✓							

Also accept Gold Bank **R344,00** for Bank charges – give 2 marks

(5)

4.2

General Ledger of Somi Trading

Dr

Cr

Bank

Date	Details	Fol.	Amount	Date	Details	Fol.	Amount
2010 Sept 30	Total Receipts ✓	CRJ1	2 440,00✓	2010 Sept 30	Total Payments ✓	CPJ1	1 694,00✓
				30	Balance	c/d	746,00✓
			✓2 440,00				2 440,00
2010 Oct 1	Balance	b/d	746,00✓				

Whole line entry must be correct to get mark.

(7)

4.3**Bank Reconciliation Statement of Somi Trading on September 2010**

		Debit	Credit
Cr Balance according to Bank Statement			5 196,00✓
Cr Outstanding deposit			1 300,00✓
Dr Outstanding cheques:		6 100,00✓	
No. 12	2 800,00✓		
No. 14	3 300,00✓		
Cr incorrect entry on Bank Statement			350,00✓
Dr Balance according to Bank account		746,00✓	
		6 846,00✓	6 846,00✓

(9)

(Students do not have to have the words debit and credit. They can have add instead of credit and less instead of debit).

(They can also have a single money column instead of two).

(Also accept student's appropriate descriptions).

QUESTION 4.4.1

General Journal of Somi Trading February 2010 GJ 1					
		General ledger Dr	General ledger Cr	Debtors Control Dr	Debtors Control Cr
	Sales Debtors Control/ M. Mbewu (Correction of Error)	90,00✓	90,00✓		90,00✓
	J. Faku/Debtors Control Bank (Dishonoured cheque)	450,00 ✓	450,00✓	450,00✓	
		540,00	540,00	450,00	90,00

(6)

Question 4.4.2

Dr **Debtors' control account** **Cr**

Date	Details	Fol	Amount	Date	Details	Fol	Amount
2010 Feb 1	Balance	b/d	5 320,00✓	2010 Feb 28	Journal credits	GJ1	90,00✓
28	Journal debits	GJ1	450,00✓		Balance	c/d	5 680,00✓
			5 770,00				5 770,00
2009 March 1	Balance	b/d	5 680,00✓				

(5)

QUESTION 4.4.3**Debtors ledger of Somi Trading**

M. Mbewu		D1		
		Debit	Credit	Balance
Feb 28	Balance b/d			R1 670.00✓½
	Journal Sundry		90,00✓	1 580.00✓
J. Faku		D2		
Feb 28	Balance b/d			R3 650.00✓½
	Journal sundry	450,00✓		4 100,00✓

(5)

[40]

QUESTION 5.1

5.1.1 BMW 316 I ✓ (1)

5.1.2 R150 000 ✓ (1)

5.1.3 Straight-line method (cost price) ✓ (2)

5.1.4 Vincent Motor Dealers ✓ (1)

5.1.5 B4 ✓ (1)

5.1.6 150 000 x 6 x 10 ✓

$$\frac{1 \quad 12 \quad 100}{100} = R7\,500 \checkmark$$
 (3)

5.1.7 150 000 x 10 ✓

$$\frac{150\,000}{100} = R15\,000 \checkmark$$
 (3)

QUESTION 5.2**General Ledger of Somi Trading**

Dr				Cr			
Equipment							
Date	Details	Fol.	Amount	Date	Details	Fol.	Amount
2010 Feb 28	Balance	b/d	✓40 000,00	2010 Feb 28	Asset disposal		✓12 500.00
					Balance	c/d	✓27 500,00
			✓40 000,00				✓40 000,00
Mrch 1	Balance	b/d	✓27 500,00				

(6)

Dr **Accumulated Depreciation on Equipment** **Cr**

Date	Details	Fol.	Amount	Date	Details	Fol.	Amount
2010 Feb28	Asset disposal		✓5 750,00	2009 Mar 1	Balance	b/d	✓10 840,00
					Depreciation		✓✓2 916,00
	Balance	c/d	✓8 006,00				
			13 756,00				13 756,00
				2010 Mar 1	Balance	b/d	✓8 006,00

(6)

Dr **Asset Disposal Account** **Cr**

Date	Details	Fol.	Amount	Date	Details	Fol.	Amount
2010 Feb 28	Equipment		✓12 500,00	2010 Feb 28	Accumulated depreciation: Equipment		✓5 750.00
					Debtors Control/ M. Johannes		✓✓6 200,00
					Loss on sale of assets		✓✓ 550,00
			12 500,00				12 500,00

(6)5.3 The **value** of the non-assets will **decrease**. ✓✓**(2)**

5.4

5.4.1 Input VAT

Cash Payments Journal ✓
Debtors Allowance Journal ✓
Creditors Journal
Petty Cash Journal
(any two)

(2)

5.4.2 Output VAT

Cash Receipts Journal ✓
Debtors Journal ✓
Creditors Allowance Journal
(any two)

(2)

5.5

5.5.1 Reasons for discrepancies

- (a) The money could have been stolen/thefts. ✓
- (b) The calculation of the petty cash amounts were incorrect/wrong. ✓
- (c) Change was issued incorrectly. ✓
- (d) An incorrect posting to the general ledger account was made. ✓

(4)**[40]****GRAND TOTAL: 200**