

QUESTION 1**(29 Marks; 17 Minutes)****ANALYSIS OF TRANSACTIONS**

You are provided with information relating to Mzala Traders a business owned by Phila Hlophe for the month of February 2019.

REQUIRED:

Analyse the following transactions according to the columns provided. Assume that the bank balance is favourable at all times.

Example: Charged our debtor, H.Ngema , R 52 interest on his overdue account.

General Ledger				Accounting Equation		
No.	Account debited	Account Credited	Amount	A	O	L
e.g.	Debtors control	Interest on overdue account	52	+	+	0

Transactions:

1. Shukela Suppliers, a creditor charged the business R 50 interest on overdue account.
2. The bank returned the cheque of K. Rabada, our debtor, for R 600, due to insufficient funds.
3. Goods sold on credit to S.Mkhize for R 5 000 cost price R 3 500.(TWO ENTRIES)
4. The owner P.Hlophe withdrew trading stock with a selling price of R 4 500, for own use.
The business uses mark up of 50% on cost.
5. The business issued cheque for R 900 to Old mutual for insurance. 40% of this was for the owner's son car insurance.(TWO ENTRIES)

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QUESTION 2**(31 Marks; 19 Minutes)****JOURNALS**

Use the following transactions to complete certain journals for Bosasa Traders for the month February 2019. The business is owned by Mpandlana Mange.

Bosasa Traders uses 60% mark up at all times.

REQUIRED:

- | | |
|----------------------------------|------|
| 2.1. Cash Receipts Journal (CRJ) | (16) |
| 2.2. Cash Payments Journal (CPJ) | (13) |
| 2.3. Debtors Journal (DJ) | (2) |

NOTE: DO NOT CAST OFF THE JOURNALS**Transactions:**

- 1 Cash sales as per CRT the cost price for those goods was R 5 000, issue a receipt 100 to the owner M. Mange, for additional capital contribution R 70 000.
- 5 Issued invoice 87 for R 7000 (Cost price R 4 375), to T. Shabangu a debtors for goods sold to him on account.
- 11 Issued receipt 102 to ABSA Bank for R 13 800 for fixed deposit that matured and interest at 15% p.a for one year.
- 15 Goods purchased from Bridge LTD for cash R 9 000 less 3% discount, cheque 90 issued
- 19 Issued cheque 93 to Mahlobo LTD for R 14 500 in settlement of the amount due of R 14 700.
- 20 Purchased the following from Ntshaliza Shop issued cheque 94:
Goods R 3 500, for the owner's daughter wedding.
Stationery R 900

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QUESTION 3

(24 Marks; 14 Minutes)

GENERAL LEDGER

The information below was extracted from the accounting records of Mawaza Stores during January 2019.

REQUIRED:

- | | | |
|-----|-------------------------|------|
| 3.1 | Debtors Control Account | (11) |
| 3.2 | Trading Stock Account | (13) |

N.B: Balance the accounts at the end of the month.

INFORMATION:

- A. The following balances appeared in the ledger on 1 January 2019

Debtors Control	R 44 698
Trading Stock	R 24 840

- B. Extracts from journals on 31 January 2019

Cash Receipts Journal	
Bank	37 740
Sales	12 700
Cost of sales	10 160
Debtors Control- receipts	17 800
Discount Allowed	680
Sundry Account	7 240

Cash Payments Journal	
Bank	32 470
Trading Stock	26 670
Debtors Control	1 200
Sundry Account	4 600

Debtors Journal	
Sales	28 480
Cost of Sales	22 784

Debtors Allowance Journal	
Sales	4 800
Cost of Sales	1 780

Creditors Journal	
Creditors control	41 710
Trading stock	20 715
Equipment	13 230
Sundry accounts	7 765

Creditors Allowances Journal	
Creditors control	9 170
Trading stock	2 700
Sundry Accounts	2 780

QUESTION 4**(16 Marks; 10 minutes)****CREDITORS' LEDGER**

The following information was drawn from the accounting records of Sigqamise Traders for March 2019.

Required:

- 4.1 Explain in detail why the balance of the Creditors' Control account must be equal to the total of the Creditors' list at the end of the month. (2)
- 4.2 Prepare the account of Supporta Ltd, a creditor, in the creditors' ledger of Sigqamise Traders for the month of March 2019. (14)

Information:

Date	Transactions for March 2019	Amount
1	Balance owed to Supporta Ltd	15 600
3	Supporta Ltd charged Sigqamise Trader interest on overdue account	260
5	Issued cheque no. 107 to Supporta Ltd	13 500
	Discount received	500
10	Received invoice no. 483 from Supporta Ltd for goods amounting to R14 800 subject to a trade discount of 15%.	?
13	Forwarded a debit note D/N 220 to Supporta Ltd for goods returned.	1 560
25	Supporta Ltd refused to allow the discount recorded on 5 March 2019 as the account was overdue.	?

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TOTAL MARKS: 100