Ca	ndida	te Nu	ımbe	r			Candidate Name

JUNIOR SECONDARY CERTIFICATE

ACCOUNTING

1500/2

PAPER 2 2 hours 30 minutes

Marks 180 **2018**

Additional Materials: Non-programmable calculator

Ruler

INSTRUCTIONS AND INFORMATION TO CANDIDATES

- · Candidates answer on the Question Paper in the spaces provided.
- Write your Candidate Number and Name in the spaces at the top of this page and on all separate answer sheets used.
- · Write in dark blue or black pen.
- You may use a soft pencil for any rough work, diagrams or graphs.
- · Do not use correction fluid.
- Do not write in the margin For Examiner's Use.
- Answer all questions.
- The number of marks is given in brackets [] at the end of each question or part question.
- Where layouts are to be completed, you may not need all the lines for your answer.
- The businesses mentioned in this question paper are entirely fictitious.

For Examiner's Use									
1	55								
2	72								
3	22								
4	31								
Total									

Marker	
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This document consists of **14** printed pages and **2** blank pages.



Republic of Namibia
MINISTRY OF EDUCATION, ARTS AND CULTURE

1 The balances are from the books of Liverpool Traders on 1 August 2018.

N\$

Cash 250

Bank 125 000 (dr)

Debtor

C Suarez 550

Creditor

Everton Traders 1 200

Transactions – August 2018

- 1 Invested N\$25 000 at Chelsea Bank at 15% p.a., cheque 101.
- 2 Sold goods cash N\$1 240, CRR777.
- 3 Issued invoice no. 26 to L Sterling for goods sold, N\$450.
- 5 Purchased goods from Totenham Traders, N\$6 000 paid by cheque.
- 8 Received a cheque, N\$520, from C Suarez to settle his account. Receipt 54 issued. The cheque was banked immediately.
- 9 Credit card sales, N\$1 200.
- 11 Bought a computer on credit from GG, N\$8 000.
- 13 Paid wages cash, N\$150.
- 15 Issued a cheque, to Everton Traders to settle our account. Received 8% discount.
- 16 Issued a cheque, N\$40 000 to K Motors for a vehicle bought.
- 18 Sold goods on credit to L Sanchez N\$220 and S Welbeck N\$190.
- 21 The cheque received from C Suarez on 8 August was returned by the bank marked R/D.
- 22 Issue credit note no. 41 to L Sterling for goods not according to order which was returned, N\$60.
- W Rooney, a tenant, paid his monthly rent directly into the bank account of the business, N\$2 500.
- 24 Charged C Suarez's account with 16% interest p.a., being overdue for 3 months.
- 30 The fixed deposit at Chelsea Bank matured. Chelsea Bank deposited the amount invested plus interest directly into the bank.
 - C Suarez was declared insolvent. His estate paid 50 cents for every dollar owed. The rest was written off as bad debts.
- 31 Received a bank statement with the following information:

credit card levy N\$110 service fees N\$ 60 interest on favourable balance N\$120

Deposited all cash except N\$400.

REQUIRED

Use the information of Liverpool Traders for August 2018 to complete the following books of first entry.

(a) Debtors Journal

Debtors Journal of Liverpool Traders – August 2018 DJ11

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Doc No	Day	Details	Fol	Amount

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(b) Debtors Returns Journal

Debtors Returns Journal of Liverpool Traders - August 2018 DRJ11

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(c) General Journal. No narrations

General Journal of Liverpool Traders – August 2018 GJ11

Day	Details	Fol	Debit	Credit
			N\$	N\$

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Question 2 on page 6

2 The following is a list of balances provided by Shitemo Stores for the year ended 28 February 2018.

	N\$
Capital	135 400
Drawings	10 500
Land and Buildings	80 000
Equipment	70 000
Vehicles	55 000
Loan: Windhoek Bank	90 000
Fixed deposit: Namib Bank (15%)	45 000
Creditors	19 500
Bank dr	4 000
Cash	500
Sales	122 000
Sales returns	2 000
Purchases	73 000
Carriage on purchases	700
Debtors	8 500
Discount allowed	200
Discount received	400
Purchases returns	1 000
Stock (1 March 2017)	8 000
Rent income	15 400
Salaries	35 000
Interest on loan	8 100
Bad debts	800
Interest on fixed deposit	6 000
Telephone	600
Insurance	7 800
Provision for depreciation on equipment	12 000
Provision for depreciation on vehicles	8 000

Adjustments

- 1. Stock on 28 February 2018 is valued at N\$11 700.
- 2. M Jackson's account to be written off as bad debts, N\$200.
- 3. Interest on loan is 12% p.a.
- 4. Salaries amounting to N\$1 000 was not paid on 28 February 2018.
- 5. Insurance amount is from 1 March 2017 to 31 March 2018.
- 6. Interest on fixed deposit should be adjusted.
- 7. Rent is N\$1 100 per month.

8. Depreciation should be calculated as follows
Equipment on cost at 10% p.a.
Vehicles on reducing balance at 16% p.a.

REQUIRED

Use the list of balances provided by Shitemo Stores and take the adjustment into consideration to do posting to the following accounts in the General Ledger.

(a) Draw up the Trading account.

General Ledger of Shitemo Stores

Final Account Section

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(b) Profit and Loss account

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(c) Capital account

Balance Sheet Account Section

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For Examiner's Use

(d) Show an extract of the Employment of Capital as in the Balance Sheet.

Balance Sheet of Shitemo Stores as at 28 February 2018

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EMPLOYMENT OF CAPITAL			

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Question 3 on page 12

3 S Alcatel received a statement of his current account from his bank for the month of July 2018, showing an overdrawn balance of N\$1 180. The cash book however showed a favourable balance of N\$2 370.

The following differences were discovered after comparison.

- 1. An amount of N\$6 150 paid into the bank on 31 July 2018 was not yet credited by the bank.
- 2. J Sansui, a tenant, deposited his monthly rent of N\$800 directly into the business bank account.
- 3. The bank statement showed a dishonoured cheque of N\$450 drawn by a customer, L Panasonic.
- 4. D Motorolla paid his outstanding balance of N\$1 320 directly into the bank account.
- 5. A monthly insurance premium of N\$220 had been paid by a debit order on 31 July 2018.
- 6. The following cheques were not presented for payment at the bank.

No 711 N\$520 No 725 N\$430

7. The business' current account was charged with the following on 31 July 2018.

Cheque book N\$ 40 Service fee N\$110 Cash handling fee N\$ 10

REQUIRED

(a) Prepare the supplementary Cash Book of S Alcatel for July 2018.

Dr	Supplementary Cash Book of S Alcatel – July 2018	CB7	Cr
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(b) Draw up a Bank Reconciliation Statement of S Alcatel at the end of the month.

Bank Reconciliation Statement as at 31 July 2018

N\$	N\$		

[12]

[22]

4 The books of Young Traders provide the following information for the financial year ending 28 February 2018.

	N\$
Capital	160 000
Drawings	2 900
Net Profit	74 500
Total fixed assets	196 800
Total long-term liabilities	15 000
Total current assets	43 000
Total current liabilities	13 200
Investments	20 000
Sales	204 000
Cost of sales	183 950
Gross profit	20 050

REQUIRED

Use the information to calculate the ratios of Young Traders. Show the formulas.

	3	
(a)	Return on capital employed (ROCE)	
		[5]
(b)	Percentage net profit on turnover	
		[5]

(c)	Percentage net profit on cost of sales	
		[5]
(d)	Solvency	
		[7]
(e)	Current ratio	
		[5]

	16		For
(f)	Calculate the owner's equity on 28 February 2018.		Examiner's Use
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