



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT: ACCOUNTING, ECONOMICS AND FINANCE

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|--|------------------------|--|-----------------------------|
| QUALIFICATION : | Bachelor of Accounting | | |
| QUALIFICATION CODE: 07BOAC/07BACC | | | LEVEL: 7 |
| COURSE: COMPUTERISED ACCOUNTING 301 | | | COURSE CODE: CAC710S |
| DATE: JAN/FEB 2019 | | | SESSION: Morning |
| DURATION: 3 Hours | | | MARKS: 100 |

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|--|-----------------------|
| 2nd OPPORTUNITY/SUPPLEMENTARY EXAMINATION QUESTION PAPER | |
| EXAMINER(S) | E KANGOOTUI & Y ELAGO |
| MODERATOR: | C.W. MILLER |

THIS QUESTION PAPER CONSISTS OF 5 PAGES
(Excluding this front page)

INSTRUCTIONS

1. This examination is made up of three (3) questions which are related.
2. Make sure that your student number appears on the reports. **(Computer printout)**
3. It is your responsibility to see that all the reports are handed in.
4. The use of internet or any communication device is prohibited.
5. Questions relating to this paper may be raised in the initial 30 minutes after the start of the paper. Thereafter, candidates must use their initiative to deal with any perceived error or ambiguities & any assumption made by the candidate should be clearly stated.
6. Round off all amounts to the nearest whole number and N\$1

PERMISSIBLE MATERIALS

1. Examination question paper
2. Non-programmable calculator
3. Examination answer script

You are required to create a new company on the “C” drive, using the following information

Company name : Student number
Financial year : 1st February 2018 to 31 January 2019
Date format : 01/02/2018
Processing method : Balance forward
Bankers : Chineke Bank
Printing : Plain paper
Tax processing : 15% (Exclusive)
Processing : **No GRN, no purchase orders and no sales orders**

Question 1

(20 Marks)

Background:

Mr. Matangara started up a business a few years back in Omaruru called Kaondeka Motors (Pty) Ltd dealing in buying and selling of second-hand imported vehicles. He provided you with the following list of account balances as at 31 January 2018. **All non-current assets values are based on 1st September 2016 invoices.**

List of account balances as at 1 February 2018:

| | N\$ |
|-------------------------------------|-----------|
| Non-current assets | |
| - Nissan bakkies & truck | 440 500 |
| - Executive chairs & visitor chairs | 100 000 |
| - Photo copy machines | 75 000 |
| - Proline laptops | 160 000 |
| Total revenue from vehicle | 2 540 000 |
| Customers trade allowance | 46 230 |
| Carriage inwards on vehicles | 100 800 |

| | |
|---|---------|
| Power cost | 41 800 |
| Employees cost | 130 000 |
| Cost of buying vehicles | 890 400 |
| Hire cost (property) | 70 800 |
| Fixed deposit (2.5%) | 80 700 |
| Allowance for unrecovered debts | 20 870 |
| 11% Loan – Nedbank | 770 000 |
| Accounts receivables | |
| - Kelber (KE600) | 80 850 |
| - Chinha (MA700) | 94 700 |
| - Dimingu (DI800) | 30 900 |
| Accounts payables | |
| - Dimingu (DI300) | 180 840 |
| - Iimboto (II400) | 57 100 |
| Bank – (debit balance as per cash book) | 75 670 |

Share capital: Authorised share capital for Kaondeka Motors (Pty) Ltd is 400 000 shares of N\$1 800 000. Total number of unissued share capital is 180 000, all issued shares up to date were issued at par value.

Depreciation policy:

All non-current assets owned by Kaondeka are depreciated using the straight line method calculated on assets in existence at the end of each year. All non-current assets have a life span of 10 years. The firm uses the cost method.

Requirement:

1. You are required to capture the above opening balances for the various accounts including **accumulated depreciation** for non-current assets as at 1 Feb 2018 (**Period one**).
2. Update all batches and move on to the next question.

No reports required at this stage

QUESTION 2**(30 Marks)**

Prepare the bank reconciliation for the month of December and update all batches

Chinike bank statement

| Date | Transaction details | | Balance N\$ |
|-----------|--|----------------|---------------|
| 01-Dec-18 | Opening balance | (500,000.00) | (500,000.00) |
| 02-Dec-18 | G4s security | (250.65) | (500,250.65) |
| 02-Dec-18 | Interest on debit balance | (1,500.00) | (501,750.65) |
| 03-Dec-18 | Government - Republic of Namibia - 5% Debenture issued | 5 500,000.00 | 4,998,249.35 |
| 04-Dec-18 | JJ Grobler van Wyk - 2017 disputed invoices | 3,500.00 | 5,001,749.35 |
| 05-Dec-18 | Cheque fee | (200.00) | 5,001,549.35 |
| 07-Dec-18 | Censored bill | (4,500.00) | 4,997,049.35 |
| 08-Dec-18 | Chinha – account payment | 75,000.00 | 5,072,049.35 |
| 09-Dec-18 | NUST hostel 2 weeks training course - J Matangara | (10,900.00) | 5,061,149.35 |
| 10-Dec-18 | BDO Spencer 2017 audit fees | (23,700.00) | 5,037,449.35 |
| 12-Dec-18 | Windhoek Flowers CC- conference decorations | (3,456.00) | 5,033,993.35 |
| 13-Dec-18 | Dirkie Conradie - share application | 5,000,000.00 | 10,033,993.35 |
| 13-Dec-18 | Internet service | (450.00) | 10,033,543.35 |
| 14-Dec-18 | Cash sales | 8,000,000.00 | 18,033,543.35 |
| 15-Dec-18 | 0.8% Debenture purchased – House & Home | (200,000.00) | 17,833,543.35 |
| 18-Dec-18 | Taurus Maintenance cleaning services account | (2,900.00) | 17,830,643.35 |
| 19-Dec-18 | Iway Namibia monthly subscription | (1,000.00) | 17,829,643.35 |
| 20-Dec-18 | AGS purchase of a second-hand car | (79,000.00) | 17,750,643.35 |
| 21-Dec-18 | Government of Republic of China – donation | 350,000.00 | 18,100,643.35 |
| 22-Dec-18 | Donation towards Omaruru clinic renovations | (50,000.00) | 18,050,643.35 |
| 23-Dec-18 | December workers' pay | (67,000.00) | 17,983,643.35 |
| 24-Dec-18 | Railage charges | (50,000.00) | 17,933,643.35 |
| 25-Dec-18 | Cash deposit anonymous | 2,500.00 | 17,936,143.35 |
| 26-Dec-18 | limoto account | (15,000.00) | 17,921,143.35 |
| 27-Dec-18 | Social Security levy | (10,500.00) | 17,910,643.35 |
| 27-Dec-18 | D. Conradie - share application refund | (2,000,000.00) | 15,910,643.35 |
| 27-Dec-18 | Debit order fees | (12.00) | 15,910,631.35 |
| 28-Dec-18 | Statement monthly | (25.25) | 15,910,606.10 |
| 29-Dec-18 | Internet banking service fees | (563.50) | 15,910,042.60 |
| 30-Dec-18 | Duty on debit items | (5.25) | 15,910,037.35 |
| 31-Dec-18 | Monthly service fees | (1,256.36) | 15,908,780.99 |
| 01-Jan-19 | G4s security | (250.65) | 15,908,530.34 |
| 02-Jan-19 | Catholic Aids Action | 250,000.00 | 16,158,530.34 |

Question 3

(50 Marks)

Mr. Matangara provided you with the following year-end adjustments which are not yet recorded in Kaondeka book. All year-end adjustments should be processed in period 12.

- I. Total amount for power cost paid at the year-end was from 1 February 2018 to 30 December 2018.
- II. According to the lease agreement signed between Kaondeka and Lumbango property, hiring fee for the whole year would total to N\$60 000.
- III. Provision for unrecovered debts is estimated to be N\$30 430 for the current year.
- IV. On 1 December 2018 one of the company Nissan bakkies with a cost of N\$84 000 was involved in an accident. The bakkie was traded in and replaced by a new Toyota bakkie, with a cost of N\$90 000 (useful life of 10 years) by one of the company supplier limboto. The trade in allowance was agreed to be N\$30 500, while the remaining balance was agreed to be paid on account starting next year.
- V. At the end of the year the directors of Kaondeka and Dimingu decided to set-off the balance that the two companies owe each other.
- VI. At the beginning of the year, one of the company's good customers, Kelber was declared a insolvent, the company managed to receive a photo copy machine valued at N\$53 740 (useful life of 10 years) from the debtor's assets and the remaining balance was expensed.
- VII. A roadworthy machine with a life span of 10 years was bought from a company Chisung (Ch500) on 1 November 2018 on account and was delivered on the same date at the firm premises. Kaondeka received an invoice from Chisung totalling N\$120 930 which is made up of the following items:
 - (a) Actual invoice amount for the machine N\$90 000
 - (b) Installation cost of machine done at the firm premises N\$10 500
 - (c) Testing cost of the machine N\$15 000
 - (d) Entertainment cost of the specialist who installed the machine N\$5 430
- VIII. Income tax for the year was determined to be N\$48 140 by the Receiver of Revenue, payable in the next month.
- IX. The company auditors discovered an amount of N\$18 700 for accounting expense incorrectly entered on the credit side of the customers allowance account.
- X. Mr. Matangara took one of the VW Golf 5 GTI's from inventory worth N\$50 700 and donated it to Omaruru Senior Secondary due to good performance of students in the previous exams.

- XI. Provide the necessary adjustment for interest expenses and interest income for the current financial period.
- XII. Provide depreciation on all non-current assets owned by the company up to date, total amount of depreciation of all the assets should be charged to administration cost.

Requirements:

Process the above transactions, update and print out the following reports.

1. A **detailed ledger** for Kaondeka (Pty) Ltd.
(View – General ledger – Transaction – Detailed ledger)
 - **Period 1 – period 12**

2. **Suppliers and customers** detailed ledger.
 - **Customers: View – Customers – Detailed ledger – By customers**
 - **Suppliers: View – Suppliers – Detailed ledger – By suppliers**
 - **Period: 1 – Period 12**

=====**End of paper**=====