



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF MANAGEMENT SCIENCES**

**DEPARTMENT: ACCOUNTING, ECONOMICS AND FINANCE**

<b>QUALIFICATION :</b>	BACHELOR OF ACCOUNTING		
<b>QUALIFICATION CODE:</b>	07BOAC/07BACC	<b>LEVEL:</b>	7
<b>COURSE:</b>	COMPUTERISED ACCOUNTING 301	<b>COURSE CODE:</b>	CAC710S
<b>DATE:</b>	JAN/FEB 2020	<b>SESSION:</b>	MORNING/AFTERNOON
<b>DURATION:</b>	3 Hours	<b>MARKS:</b>	100

<b>2<sup>nd</sup> OPPORTUNITY/SUPPLEMENTARY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	E KANGOOTUI & Y ELAGO
<b>MODERATOR:</b>	C.W. MILLER

**THIS QUESTION PAPER CONSISTS OF 6 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 workingS to two decimal places

**PERMISSIBLE MATERIALS**

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

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

Company name : Student number  
Financial year : 1<sup>st</sup> September 2018 - 31 August 2019  
Date format : 01/09/2018  
Processing method : Balance forward  
**Charts of accounts : Computer retail & manufacturing**  
Bankers : Barclays Bank  
Printing : Plain paper  
Tax processing : VAT 15% (Exclusive)  
Processing : **No GRN, no purchase orders and no sales orders**

**Background:**

Ms. Belly started up a business a few years back in Gobabis called **Easy Computer dot com (Pty) Ltd** dealing in buying and selling of new and second hand computer equipment. The business keeps a periodic inventory system. She provided you with the following list of account balances as at 1 September 2018. **All non-current assets owned were bought on 1 September 2017.**

**QUESTION 1**

**(35 Marks)**

**List of account balances as at 1 September 2018: N\$**

Revenue

- Computer equipment 650 450
- Antivirus & operating system programs 520 700
- Repair of computers 300 230

Cost of sales

- Antivirus & operating system programs 174 500
- Computer equipment 328 670

#### Operating costs

- Rent expense	18 500
- Insurance	12 540
- Marketing cost	22 100
- Employees remuneration	82 000
- Heating & lighting	25 350
- Loss on disposal of non-currents assets	13 000

#### Non-current assets

- HP Note books	85 000
- Furniture	60 500
- Vehicles	135 000

#### Cash & cash equivalents

- Bank (balance as per cash book: Dr)	80 220
- 5% fixed deposit	50 800

#### Accounts receivable

- Taller (TAL100)	13 700
- Sussy (SUS200)	24 400
- Ruhajo (RUH300)	18 480

#### Accounts payable

- FVK Software (FVK100)	16 840
- Vehopi Virus (VEH200)	31 230

#### Other accounts

- Accumulated deficit	29 250
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## Share capital

Authorised ordinary share capital of Easy Computer dot com (Pty) Ltd is N\$2 560 000 ordinary shares at N\$3.20 per share. Total number of unissued shares is 380 000. All shares were issued at par value.

## Non-current assets depreciation policy:

- All non-current assets owned by Easy Computer dot com are depreciated using the straight line method.
- All non-current assets have a life span of 5 years and a residual value equal to 10% of cost.
- The company uses the cost model to account for all non-current assets.

Inventory Item	Item Code	Selling prices (N\$)	Quantity on hand
Monitors LCD	MLCD100	7 000	20
PC Boxes	PCB200	9 500	-
Anti-virus programs	AVP300	2 500	15
External hard drives	EXHD400	1 800	12

All inventory items are sold at a 33.33% mark-up

## Required:

Capture the opening balances for Easy Computer dot com Pty accounts, including **accumulated depreciation** for all non-current assets, as at 1 September 2018 (Period one)

**UPDATE YOUR TRANSACTIONS BEFORE PROCEEDING TO THE NEXT QUESTION**

**NO REPORTS ARE REQUIRED AT THIS STAGE**

**QUESTION 3****(20 Marks)****Process the following transactions during July 2019 in the current account cashbooks;**

Receipts during July 2019

Date	Details	Amount (N\$)
2	8.5% Debentures issued	700 000
6	Cash Sales	25 500

Payments during July 2019:

Date	Payee	Reason	Amount (N\$)
1	Cash	Yearly business journals	1 000
5	Iway	Internet	200
8	Waltons	Stationary	800
9	Armed response	Security	250
10	Cash	Salary for cleaner	1 000
10	Santam	Insurance for the building	1 250
11	Mr Pieters	Unknown	260
11	Pub (Pty) Ltd	50% subsidiary ownership	60 000
12	Cash	School trip her child	1 000
14	BP Eros	Monthly car wash	400
15	Swartz & Angula CC	Compiling statutory returns	3 000
15	Hilton Hotel	Staff year-end function	2 500
15	Sara Scoot	Drawing up a business plan	3 000
26	Big Belt	Casual labour	800
28	NCCI	Membership fees	1 000
29	Pick & Pay	Coffee and tea-office use	300

**UPDATE YOUR TRANSACTIONS BEFORE PROCEEDING TO THE NEXT QUESTION**

#### QUESTION 4

(45 Marks)

#### Easy Computer dot com's year- end adjustments to be processed in period 12

Ms. Belly provided you with the following year-end adjustments not yet recorded in the firm's books.

- I. Due to various debtors who don't pay their accounts on time, the directors of the company decided to make provision for debtors who they think will not pay, this amount was estimated to be N\$12 410 for the current year.
- II. Total amount for heating & lighting per month is estimated to be N\$2 535.
- III. One of the company's debtors (Ruhajo) disputed the balance owed at the beginning of the financial year. It was discovered that the amount was for another debtor by the name of Rejo (REJ001) and it was wrongly posted against Ruhajo's account.
- IV. Income tax was estimated to be N\$36 540 for the year.
- V. One of the company's good customers, Rejo was declared insolvent at 31 Aug 2019, the company managed to receive a multi task fax machine valued at N\$17 450 (useful life of 5 years) from the debtor's assets and the remaining balance was expensed.
- VI. The directors of the company declared a dividend on all outstanding shares at N\$0.15 per share.
- VII. Total amount paid for rent expense covers 1 September 2018 to 30 September 2019 respectively.
- VIII. The company donated one of its anti-virus programs to a charitable organisation in compliance with all requirements.
- IX. The company's auditor discovered an invoice of N\$14 890 for the current year's audit was not captured.
- X. Provide depreciation on all non-current assets owned by the company to date; total amount should be charged to administration cost.

XI. Account for any interest payable or interest receivable for the current year.

**Required:**

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

1. A **detailed ledger** for **Easy Computer dot com (Pty) Ltd.**  
(View – General ledger – Transaction – Detailed ledger)
  - **Period 1 – period 12**
  
2. Print out the following detailed ledgers.
  - **Customers: View – Customers – Detailed ledger – By customer**
  - **Suppliers: View – Suppliers – Detailed ledger – By supplier**
  - **Period: 1 – Period 12**

=====**End of Examination**=====

