



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

DEPARTMENT: ECONOMICS, ACCOUNTING AND FINANCE

QUALIFICATION: Bachelor of Accounting/ Bachelor of Accounting Chartered	
QUALIFICATION CODE: 07BOAC/07BACC	LEVEL: 7
COURSE: Computerised Accounting 301	COURSE CODE: CAC710S
DATE: Jan 2025	SESSION: Practical
DURATION: 3 Hours	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	E Kanguotui, Y Elago and H Namwandi
MODERATOR:	E. Milijala

INSTRUCTIONS

1. This exam paper consists of one question with 3 parts, (A-C).
2. Please ensure that your student number appears on all reports. **(Computer printouts)**
3. It is student's responsibility to ensure that all reports are handed in directly to the invigilators.
4. Use of internet or any communication devices is strictly prohibited.
5. Questions relating to this examination 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 errors or ambiguities & any assumption made by the candidate should be clearly stated.
6. Round off all calculations to the nearest two decimal places.

THIS QUESTION PAPER CONSISTS OF _5_ PAGES (Excluding this front page)

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

Company Name : Student Number
 Postal Address : P.O. Box 987 Rehoboth
 Financial Year : 1st August 2023 to 31 July 2024
 Processing Method : Balance Forward
Charts of Accounts : Manufacturing
 Bankers : Nedbank Namibia
 Printing : Plain Paper, Single Sheet
 Tax Processing : 15% (Exclusive unless otherwise stated)
 Processing : **No GRN, No Purchase Orders and No Sales Orders**

Apart A

(40 Marks)

Ms. Julie Nanda began her business **Software Manufacturing (Pty)** in Rehoboth two years ago, with a 70% shareholding. Software Manufacturing (Pty) specialises in manufacturing electronic equipment and occasionally buys goods for resale. Ms Nanda has maintained proper accounting records since inception. However, her computerised accounting system crashed, and she lost most of her information. She has retrieved the following information and has asked you to capture in Pastel.

The Trial balance as at 1st August 2023 was prepared by an inexperienced bookkeeper and some balances have been credited or debited in error.

	Notes	Debit (N\$)	Credit (N\$)
Sales			5 650 000
Purchases		1200 000	
Dividend income from subsidiary		266 000	
Management fee from subsidiary		176 000	
Interest income		146 000	
Rent paid		750 000	

Salaries and wages	1	1 150 000	
Insurance		359 000	
Electricity		414 000	
Board members allowance		111 000	
Bad debts		83 000	
Finance costs		79 000	
Inventory (31/07/2023)		858 000	
Bank balance (DR)		699 500	
5% Debentures purchase			3 000 000
6% Debenture issued		478 000	
3% Loan to: Ms Nanda		398 000	
Trade Receivables	2		533 000
Trade payables	3	312 000	
Allowance for bad debts		29 000	
Retained earnings (31/07/2023)		4 324 500	
Vehicles at cost	4	1 125 000	
Shelves at cost	4	960 000	
Land and building at cost	4	3 530 000	
Ordinary Share Capital	5	???	???

Notes**N\$**

1) Salaries are broken down as follows:

- Factory salaries	571 600
- Office salaries	239 200
- Sales salaries	339 200

2) Accounts receivable

T. Gorases (TG101)	161 500
S. Kamati (SK202)	250 500
P. Nanyemba (PN303)	121 000

3) Accounts payable

C. Beukes (CB211)	84 000
S. Sakaria (SS311)	295 000
B. Nanyemba (BN505)	67 000

- 4) The original cost of the land was N\$ 530 000 while the Building was built for N\$ 3 000 000 and ready for use on 1st August 2021. The building is subjected to a depreciation charge of five percent per annum straight line method, with no residual value, while land is not depreciated.

The environmental regulations of the City of Windhoek require that the business be dismantled and the land restored to its natural condition after twenty years. It is estimated that this will cost the company an amount of N\$ 600 000 to restore the land to its original state. The discount rate applicable is 10%.

All other non-current assets were bought at inception date, with a residual value equal to 10% of cost and brought into use immediately. The company use the cost model and depreciate assets at 20%, reducing balance method.

- 5) Authorised share capital of **Software Manufacturing (Pty)** is N\$ 2 400 000 made up of 960 000 ordinary shares. Total numbers of unissued shares are 320 000.

NB: Suspense account balance should be cleared against Retained earnings/Accumulated loss account.

Required:

1. You are required to capture the opening balances of **Software Manufacture** accounts, including **accumulated depreciation** for all non-current assets, as of 1st Aug 2023 (**Period one**). Assume all the above accounts have a normal balance for that element, unless otherwise stated.

2. Update all batches and move on to the next part.

No Reports Required at this stage.

Part B**(30 marks)**

The bookkeeper in the process of preparing the bank reconciliation for the month of March. You are presented with the following information which needs to be recorded in the main bank account, cashbook before the bank reconciliation can be prepared.

1. On 31st March 2024 the bank column of **Software Manufacturing (Pty)**'s cash book showed debit balance of N\$ 800.
2. When comparing the cash book with the bank statement, it was discovered that Royalty received of N\$ 3 110 is incorrectly debited to the bank account.
3. An amount of N\$ 599 for Ms Nanda's home DSTV monthly payment was debited to the business bank account.
4. A direct debit of N\$ 690 for the insurance monthly payment, had not been recorded in the cashbook.
5. An invoice amount of N\$ 2 800 from City of Windhoek correctly recorded in the cashbook, was recorded with an amount of N\$ 2 080 on the bank statement.
6. The bank statement should the following items not yet captured in the cashbook:
 - Petty cash N\$ 1 500
 - Duty on debit entries N\$ 151.36
 - Interest on credit balance N\$ 285
 - Unknown cash deposit N\$ 1 000
7. A further check revealed the following items, two EFT drawn in favour of ABC Pty Ltd N\$ 2 250 and Wholesale Ltd N\$ 4 290 reflected on bank statements as payments, but no records found in the cashbook.
8. Cash sales of N\$ 6 000 paid with a debit card on 31st March, not yet recorded in the cash book.
9. Fuel cost of N\$ 3 000 paid with the company's debit card has not yet been recorded in the cash book.
10. A payment received from Miss Dolly White, in settlement of her overdue amount of N\$ 5 250, already recorded in the cashbook, but was not honoured by her bank account.
11. Debit order of N\$ 450 for Smart Alarm armed response was not yet recorded in the cashbook.
12. T. Gorases and P. Nanyemba settled their overdue balances, through bank transfers respectively, no records in the cashbook.
13. The monthly bank statement as at 31st March 2024 showed a debit balance of N\$ 3 450.

Required:

1. Process the necessary adjustments in the main current account cashbook, which enables the bookkeeper to prepare the bank reconciliation for March 2024
2. Update all balances and move on to the next part.

No Reports Required at this stage.

Part C**(30 Marks)**

Additional information is available which needs to be considered in period 12:

- I. On 1st August 2023 sold a Samsung Laptop for N\$ 35 000, which was bought a year ago at cost price of N\$ 50 000. The accountant processed this entry incorrectly by crediting Laptop cost account with the amount received, the debit went to bank. Process all necessary entries, to correctly account for the non-current asset disposal.
- II. An inventory count of the information pamphlets on 31st July 2024 showed the value of on hand amounted to N\$ 3 750.
- III. The allowance for bad debts at year should be N\$ 18 300.
- IV. On 1 January 2024, the bookkeeper paid an amount of N\$ 25 000 as telephone expense. Monthly fee is N\$ 2 500, no records were processed yet.
- V. The company went to the coast for their year-end function for the cost of N\$ 4 500, which is not yet paid.
- VI. The company did not pay 2 temporary cleaning assistants for their July 2024 wages, the employees each earn N\$ 2 000 per month.
- VII. A stock count on 31st July 2024 showed the value of stock on hand amounted to N\$ 318 000.
- VIII. The income tax expense for the year ended 31st July 2024 is N\$ 507 000. This expense has not yet been recorded.
- IX. Provide annual depreciation charge, account for accrued interest expenses and interest income on all financial instruments, including any other necessary year-end adjustments.

Required:

Process the above transactions in period 12, update all batches and print out the following reports of **Software Manufacturing (Pty)**

1. A **detailed ledger**:
(View – General ledger – Transaction – Detailed ledger)
 - **Period 1 – period 12**
2. Customer & Supplier **detailed ledger**:
 - **Customers:** View – Customers – Detailed ledger – By customer
 - **Suppliers:** View – Suppliers – Detailed ledger – By supplier
 - **Period: 1 – Period 12**

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