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: July 2024	**SESSION:** Practical
DURATION: 3 Hours	**MARKS:** 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	E Kangootui, Y Elago
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 error or ambiguities & any assumption made by the candidate should be clearly stated.
6. Round of all calculations to the nearest two decimal places.

THIS QUESTION PAPER CONSISTS OF _4_ PAGES (Excluding this front page)

Part A **(35 Marks)**

One of the youngest professional football players named, Personal Best, played football across the world during 2021. He met with various visionary people and gain various ideas. He wrote his business plan and presented it to one of the best football clubs in India and to the ministry of sport, youth & national service. His business plan idea was to register a voluntary association for youth capacity building, in football, netball, and community services.

On 1st January 2022, he managed to successfully register is voluntary association as one of section 21 company according to the companies Act 28 of 2004. He applied to the Receiver of revenue to be exempted from any form of tax. Its financial year starts on 1st January, bank with Standard Bank and maintains a petty cash with an imprest amount of N$4 500. He will receive donations from the foreign football club, a subsidy from the ministry and generate fund from the community services. He will recruit youth from various regions who have the desire to became professional players in their respective sports codes. In order for the association to be sustainable, players will engage in providing extra classes to school learner from grade 1-12. The association will host various rural schools and community football tournaments. All players are expected to participate in these additional activities during their free time.

All non-current assets were bought at inception date 1st January 2022 and brought into use immediately, unless otherwise state. The company uses the cost model to account for property, plant, and equipment. All assets are subject to annual depreciation charge using the straight-line method and have a residual value equal to 10% of cost, with a useful life of ten years.

He employed you as the financial accountant to assist with updating his accounting records. You are provided with the following information on the last date of the pervious financial period.

Trial Balance as of 31 December 2022, which was prepared by an inexperienced bookkeeper and some balances have been credited or debited in error.

	Notes	Debit (N$)	Credit(N$)
Income	1		560 000
Funding	2	200 000	
Extra classes earnings		160 120	
Extra classes expenses		45 200	
Tournament earnings		72 100	
Tournament expenses		14 700	
Transport rental cost		15 500	
Salaries and wages	3	150 000	
Insurance building			2 500
Electricity		8 700	
Red Force debt collectors		8 750	
Bad debts		1 500	
Association weekly periodicals		1 050	
Bank (favourable bal)			69 500
5% Debentures issued			300 000

Capital Fund	**4**	250 000	
Desktop & laptops		380 000	
Desks, tables & chairs		79 500	
Unearned income received		18 500	
Retained Earnings			88 500
Petty Cash		2 500	
Overdue client's balances:	**5**	26 094	
Information pamphlets		12 500	
Commission income		13 050	
Association membership fees		3 260	
3.5% Debenture Purchased			99 200
10.5 Fixed Deposit (FNB)			30 850
4% Loan to Director: Mr Bob			23 800
Suspense		73 974	
Total		**1 248 324**	**1 248 324**

Notes:

1. Income received as follows:

- ✓ Foreign football club 250 150
- ✓ Ministry 180 560
- ✓ Players Agency fees 129 290

2.Funding received as follows:

- ✓ Community poverty eradication 20 000
- ✓ Establishing tutorial centre 120 000
- ✓ Tournament sponsorship 60 000

3. Salary & wages as follows:

- ✓ Personal Best & Players 100 000
- ✓ Salary for the accountant 35 000
- ✓ Temporary assistant 15 000

4.Capital Fund as follows:

- ✓ Plot & Structure 180 000
- ✓ Sports field fees 70 000

5. Overdue client's:

- ✓ Mr Nelson Dundu 12 154
- ✓ Pet cc 9 715
- ✓ Miss Dolly White 4 225

Required:

1. You are required to capture opening balances accounts of Personal Best Ass, including **accumulated depreciation** for non-current assets as of 1st January 2023 **(Period one)**.
2. Update all batches; and move on to next part.

Part B **(25 marks)**

The bookkeeper in the process of preparing the bank reconciliation for the month of March. You are presented will the following information which needs to be recorded in the various cashbooks before the bank reconciliation can be prepared.

1. On 31st March 2023 the bank column of Personal Best Ass's cash book showed debit balance of N$800.
2. When comparing the cash book with the bank statement, it was discovered that dividends of N$3 110 was incorrectly credited to the bank account.
3. An amount of N$599 for Personal Best's home DSTV monthly payment was debited to the business bank account.
4. A direct debit of N$690 for the insurance monthly payment, was not yet 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
   - Anonymous 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 now records found in the cashbook.
8. Agency fees cash deposit amounting to N$6000 had been paid into the bank on 31st March but were not recorded in the cash book.
9. Fuel cost of N$3 000 paid with the association'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, 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. Mr Nelson Dundu and Pet cc settled their overdue balances, through bank transfers respectively, not records in the cashbook.
13. The monthly bank statement written up to 31st March 2023 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 2023.
2. Update all bathes and move on to the next part.

Part C **(40 Marks)**

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

I. The association organised a gala dinner event held a community hall in Rehoboth. It was a one-day event, which stated from 10 am, with fun games, 12:pm braai meat festival and ended with the gala dinner at 6 pm until midnight. The event was well attended by the community members, and it was a successful event. The association hire a consultant to manage the event. The summary of the event was presented at follows

	N$
Income generated from the gala dinner (received)	99 800
Catering service hire for the gala dinner (paid)	36 000
Consultant fees (paid)	7 000
Sundy expenses related to the gala dinner (unpaid)	10 000

II. 1st August 2023 sold Desktop 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 Desktop cost account with the amount received, the debit went to bank account.

III. An inventory count of the information pamphlets on 31 December 2023 showed the value of on hand amounted to N$ 3 750.

IV. The allowance for bad debts must be increased by N$5 000.

V. The Association has decided to purchase a new laser copy machine; they took out a loan from ZED Bank Ltd on 1st May 2023. The loan amount to N$ 45 000, which is the cost price of the machine. They paid N$5 000 in interest during the year.

VI. On 1 January 2023, the bookkeeper paid an amount of N$35 000 as rental expense. Monthly rental is N$2 500.

VII. The association went to the coast for their year-end function for the cost of N$4 500, which is not yet paid.

VIII. The association did not pay 2 temporary assistant employees for their December 2023 wages, the employees each earn N$3 000 per month.

IX. Provide annual depreciation charge, account for accrued interest expenses and interest income on all financial instruments at year end.

Required:

Process the above transactions in period 12, update all batches and print out the following reports for Personal Best Association.

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======================