



NAMIBIA
UNIVERSITY
OF SCIENCE AND
TECHNOLOGY

HP-GSB
HAROLD PUPKEWITZ
Graduate School of Business

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

HAROLD PUPKEWITZ GRADUATE SCHOOL OF BUSINESS

QUALIFICATION: DIPLOMA IN BUSINESS PROCESS MANAGEMENT	
QUALIFICATION CODE: 06DBPM	LEVEL: 6
COURSE CODE: BAC511C	COURSE NAME: BUSINESS ACCOUNTING 1A
SESSION: DECEMBER 2025	PAPER: THEORY AND CALCULATIONS (PAPER 2)
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER

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MODERATOR	Lameck Odada

INSTRUCTIONS

1. This question paper is made up of **four (4)** questions.
2. Answer **ALL** the questions in blue or black ink only. **NO** pencil
3. Start each question on a new page in your answer booklet and **show all workings**.
4. Round off only final answers to two (2) decimal places unless otherwise stated.
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.

PERMISSIBLE MATERIALS

Silent, non-programmable calculators

THIS QUESTION PAPER CONSISTS OF 8 PAGES (including this front page)

QUESTION 1**[11 MARKS]**

Match the terms and concepts to the appropriate defining details, formula, or example in the table below. Provide your answers by only giving the number and corresponding letter. E.g., 1. (a)

Terms and Concepts	Defining details, formula, or example
1. Assets	a) Are obligations/debts of the business which are payable within one year.
2. Expenses	b) An item of value with a lifespan of less than one year, which is easily converted to cash.
3. Owner's equity	c) Quantitative and qualitative information used by management for planning, decision making and control.
4. Drawings	d) The point of original entry of a transaction and should provide the information necessary to record the transaction accurately
5. Financial accounting	e) Expired costs that decrease economic benefit within the current period.
6. Management accounting	f) User of financial information for tax purpose.
7. Current assets	g) It states that the assets of a business are equal to the owner's equity plus liabilities.
8. Current liabilities	h) Capital
9. Source document	i) A process of identifying, recording, classifying, and reporting historical financial information for internal and external users.
10. Namibia-Revenue Agency (NamRA)	j) Withdrawals
11. Accounting equation	k) Resources controlled by an entity resulting from the past events out of which future economic benefits will flow.

QUESTION 2

[25 MARKS]

In each of the following questions, ON THE PROVIDED ANSWER SHEET, write down the letter that, in your opinion, represents the correct answer:

1. Owner's claims against the assets of a business are called:
 - a) liabilities
 - b) cash
 - c) owner's equity/capital
 - d) income
2. Valuable things owned by a business are called:
 - a) capital
 - b) assets
 - c) creditors
 - d) liabilities
3. Assets less liabilities equals:
 - a) share capital
 - b) accumulated profits
 - c) owner's equity/capital
 - d) sales
4. People who owe debts to a business are called:
 - a) accounts payable
 - b) income
 - c) claims against the assets
 - d) accounts receivable
5. Land, building, vehicle, etc., owned by a business are called:
 - a) current assets
 - b) current liabilities
 - c) non-current assets
 - d) non-current liabilities
6. People who owed debts by a business are called:
 - a) accounts receivables
 - b) income
 - c) claims against the assets
 - d) accounts payables
7. Assets less owner's equity equals:
 - a) claims of the shareholders
 - b) cash
 - c) capital

- d) liabilities
8. If a business has balance on its bank account of N\$20 000, accounts payable of N\$10 000, a bank overdraft of N\$5 000 and land of N\$100 000; the amount of owner's equity/Capital is:
- a) impossible to compute
 - b) N\$100 000
 - c) N\$105 000
 - d) N\$106 900
9. Which of the following have debit balances?
- a) Liabilities
 - b) Assets
 - c) owner's equity/Capital
 - d) income
10. Accounts receivables are increased by:
- a) Credits
 - b) Debits
 - c) something else
 - d) both credits and debits
11. Accounts payables are decreased by:
- a) Debits
 - b) Credits
 - c) something else
 - d) both debits and credits
12. Expenses are increased by:
- a) Debits
 - b) credits
 - c) something else
 - d) both debits and credits
13. Sales are increased by:
- a) Debits
 - b) Credits
 - c) something else
 - d) both debits and credits
14. Accounts receivable normally have a balance:
- a) Debit
 - b) Credit
 - c) something else

- d) debit or credit
15. Accounts payable normally have a balance:
- a) Debit
 - b) Credit
 - c) something else
 - d) both debit and credit
16. Owner's equity and income normally have a balance:
- a) debit
 - b) credit
 - c) something else
 - d) both debit and credit
17. Expenses and sales normally have balance which are:
- a) the same-debit
 - b) the same-credit
 - c) credit and debit respectively
 - d) debit and credit respectively
18. Assets normally have a balance:
- a) Debit
 - b) Credit
 - c) something else
 - d) both debit and credit
19. Credit sales are journalized:
- a) credit accounts receivables, debit sales
 - b) debit cash, credit sales
 - c) debit accounts payables, credit sales
 - d) debit accounts receivables, credit sales
20. Receipt from accounts receivables is journalized as:
- a) debit sales, credit bank
 - b) debit debtors, credit bank
 - c) debit accounts receivables, credit sales
 - d) debit bank, credit accounts receivables
21. In the bank account, cash receipts are:
- a) debits
 - b) credits
 - c) neither
 - d) both debits and credits

22. In the bank account, cash payments are:
- a) Debits
 - b) Credits
 - c) Neither
 - d) both debits and credits
23. NamDancer has a dancing school and sells dancing shoes to clients. He won an important dancing competition. NamDancer proposes to include his dancing skills and experience as current asset in the statement of financial position. You advised him that this is not allowed. Which of the following accounting rules apply?
- a) the rule periodicity rule
 - b) the realization rule
 - c) the quantitative rule
 - d) the prudence rule
24. A company receives an order in April, posts the goods in May, and receives payment in June. In this case, under the realization principle, revenue is earned in which month?
- a) April
 - b) May
 - c) June
 - d) None
25. Which principle dictates that all data should be captured in such a way that the debit/credit principle is applied?
- a) Matching principle
 - b) Duality rule
 - c) Prudence
 - d) Periodicity principle

QUESTION 3

[24 MARKS]

The following transactions took place during the month of May 202 in the books of account of Mr Bob, a sole trader:

- May
- 1 Mr Bob opened a business bank account and deposited N\$500 000.
 - 3 Mr Bob rented premises for N\$15 000 per month payable in advance by electronic fund transfer (EFT).
 - 5 He brought into the business equipment worth N\$25 000.

- 6 He purchased a motor vehicle for N\$120 000 by electronic fund transfer.
- 10 He bought goods on credit from Tau for N\$20 000.
- 11 Mr Bob sold goods on credit to Zono for N\$25 000.
- 20 Mr Bob returned goods to Tau of N\$5 000.
- 21 Zono settled his account with Mr Bob by electronic fund transfer (EFT); paying N\$24 000.
- 25 Mr Bob settled his account with Tau by electronic fund transfer (EFT) and was given a settlement discount of 10%.
- 26 Mr Bob paid N\$15 000 by electronic fund transfer (EFT) for his daughter's school fee.

REQUIREMENT

Enter the above transactions in appropriate Mr Bob's 'T' accounts and balance off all the accounts.

QUESTION 4

[40 MARKS]

Ms Naitye, a sole trader prepares financial statements to 31 May each year.

Ms Naitye's Trial Balance at 31 May 2025 is as follows:

	N\$	N\$
Buildings at cost	600 000	
Motor vehicles at cost	296 000	
Accumulated depreciation at 1 June 2024:		
Buildings		96 000
Motor vehicles		31 500
Inventory at 1 June 2024	164 000	
Accounts receivables	140 000	
Accounts payables		29 500
Bank		56 000
Carriage inwards	17 000	
Capital		40 000
Loan (repayable 31 May 2026)		60 000
Purchases	960 000	
Sales		1 900 000
Returns inwards	54 000	
Bad debts	10 000	
Returns outwards		50 000
Wages and salaries	24 800	
Insurance	14 000	
Rent received		30 000
Interest paid	13 200	
	2 293 000	2 293 000

The following information was available after the preparation of the Trial Balance.

1. It has been decided that the buildings should be depreciated at 2% on a straight-line basis.
2. Motor vehicles are depreciated at 20% per annum on a reducing balance basis.
3. The closing stock at 31 May 2025 amounted to N\$185 000.
4. At the end of the year it has been decided that N\$4000 is irrecoverable and is to be written off as a bad debt.
5. Wages and salaries not paid and accrued to 31 May 2025 amounted to N\$17 200.
6. Insurance of N\$4 000 relates to the following financial year.

REQUIREMENTS

- a) Prepare Ms Naitye's statement profit or loss for the year ended 31 May 2025. (20)
- b) Prepare Ms Naitye's statement of financial position as at 31 May 2025. (20)

END OF EXAMINATION QUESTION PAPER