

**ADMISSION EXAMINATION / TOELATINGSEKSAMEN
BOOKKEEPING / BOEKHOU
PART 4 / DEEL 4
19 AUGUST / 19 AUGUST 2015
ANSWERS / ANTWOORDE**

PLEASE NOTE THAT THE GUIDELINE ANSWERS TO PREVIOUS PAPERS MAY NOT BE A CORRECT REFLECTION OF THE LAW AND/OR PRACTICE AT THE MOMENT OF READING.

NOTE TO EXAMINER: *This guideline records the views of the drafters. There may be justifiable variations in practice which are brought out in the answers. When this happens the examiner should apply his discretion in marking the answer.*

QUESTION 1

[30]

Amount to be transferred from Trust Account to Business is R116 500 & Business to Trust is R7000 (8)

Balance after transfer

	<u>TRUST</u>	<u>BUSINESS</u> (40 000)
Xerox Machines		
Black	99 000	-
White	210 000	-
Green	9 500	-
Blue	-	2 000
Red	140 000	-
Lazarus	-	37 000
Zulu	-	34 000
		(8)

TRANSFER JOURNAL

Black	(T)	Dr	35 000	
White	(T)	Dr	30 000	
Green	(T)	Dr	6 500	
Lazarus	(T)	Dr	45 000	
Black	(B)	Cr		35 000
White	(B)	Cr		30 000
Green	(B)	Cr		6 500
Lazarus	(B)	Cr		45 000
Zulu	(B)	Dr	7 000	
Zulu	(T)	Cr		7 000
				(10)

Debt Business Cash Book	R116 500
Credit Trust Cash Book	R116 500
Debit Trust Cash Book	R7 000
Credit Business Book	R7000

(4)

[1 mark each entry]

QUESTION 2

[40]

TRUST CASH BOOK			
Green	200 000	Bank A	200 000
Bank A	50 000	Counsel	30 000
Mrs Purchaser	350 000	Bank B	300 000
Various clients	700 000	Bank C	500 000
Mrs Purchaser	100 000	Receiver of Rev	40 000
Bank C	403 500	Fidelity Fund	3 500
White	100 000	Stock Broker	60 000
Stock Broker	66 000	Balance	836 000
	<u>1 969 500</u>		<u>1 969 500</u>

(15)

GREEN TRUST LEDGER			
Cash	30 000	Cash	200 000

(2)

BANK A - TRUST INV S78 (2) (A) GREEN			
Cash	200 000	Cash	50 000

(2)

MRS PURCHASER - TRUST LEDGER			
Cash	40 000	Cash	350 000
		Cash	100 000

(3)

BANK B - TRUST INV S78 (2) (A) MRS PURCHASER			
Cash	300 000		

(1)

VARIOUS CLIENTS TRUST LEDGER

Cash	700 000
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(1)

BANK C - TRUST INVEST S78 (2)(a)

Cash	500 000	Cash	403 500
Cash	3 500		

(3)

WHITE - TRUST LEDGER

Cash	60 000	Cash	100 000
		Cash	66 000

(3)

LIST OF TRUST CREDITORS

Green	170 000
Mrs Purchaser	410 000
Various Clients	700 000
White	106 000

Total trust Liability	1 386 000
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(5)

Trust Funds Available

Trust Cash Book Balance	836 000
S78 (2)(A) Green	150 000
S78(2)(A) Mrs Purchaser	300 000
S78 (2)(a)	100 000

	1 386 000
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(5)

[1 mark for each correct entry]

QUESTION 3**[30]****3.1 Debit Trust Cash Book and (Credit Correspondent in the Trust Ledger Account)**

TRUST CASH BOOK			
		7 500	
Correspondent			

(2)

3.2 Trust Journal

White	Dr	1140	
Correspondent	Cr		1000
Vat	Cr		140

Being Fees charged by Correspondent on collection matter (2)

3.3 Business Journal/Fee Journal

Correspondent	Dr	228	
Fees	Cr		200
Vat	Cr		28

Being allowance on fees received from Correspondent (2)

3.4 Business Journal

XYZ (Pty) Ltd	Dr	500	
Revenue stamps	Cr		500

Being stamps used for company registration (2)

3.5 Business Journal

Revenue stamps	Dr	100	
XYZ (Pty) Ltd	Cr		100

Being stamps returned – not used (2)

3.6 Journal/Business Journal

XYZ (Pty) Ltd	Dr	5 700	
Fees	Cr		5000
Vat	Cr		700

Being fees charged for registration of company (2)

3.7 Debit Business Cash Book (Credit Ledger)

BUSINESS CASH BOOK			
		6 100	
XYZ (Pty) Ltd			

(2)

3.8 Credit Business Cash Book (Debit Ledger)

BUSINESS CASH BOOK	
XYZ (Pty) Ltd (RD Cheque)	6 100

(2)

3.9 Transfer Journal (Trust/Business Cash Books)

Green Trust Ledger	Dr	5000	
Green Business Ledger	Cr		5000
<u>Being Transfer of funds from Trust to Business</u>			

TRUST CASH BOOK	
Transfer	5000

BUSINESS CASH BOOK	
Transfer	5000

(4)

3.10 Trust Journal

A	Dr	10 000	
B	Cr		10 000
<u>Being incorrect credit</u>			

(2)

3.11 Business Journal

Counsel	Dr	5 700	
Mrs Divorce	Cr		5 700
<u>Being counsel's fees</u>			

(2)

3.12 Credit Trust Cash Book for R7 500 (Debit Trust Ledger of Black)

TRUST CASH BOOK	
Black	7 500
R/D	10 000

You credit Trust Cash Book for R10 000 (and debit Black's Trust Ledger). You transfer R10 000 from Business Cash Book to Trust Cash Book

TRUST CASH BOOK
T/F (Black) 10 000 |

BUSINESS CASH BOOK
| T/F (Black) 10 000

(6)

TOTAL: [100]



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