



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	School of Accounting
<b>DEPARTMENT</b>	Department of Accountancy
<b>CAMPUS(ES)</b>	APK
<b>MODULE NAME</b>	Business Information Systems 2B
<b>MODULE CODE</b>	BIS2B01 / BIS22B2
<b>SEMESTER</b>	Second
<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Supplementary Exam January 2020

<b>ASSESSMENT DATE</b>	7 January 2020	<b>SESSION</b>	15:00 – 18:00
<b>ASSESSOR(S)</b>	Mr Y Ebrahim / Mr N Strydom		
<b>MODERATOR(S)</b>	Mr J Wessels		
<b>DURATION</b>	3 hours (180 min)	<b>TOTAL MARKS</b>	100

<b>NUMBER OF PAGES OF QUESTION PAPER (Including cover page)</b>	9
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<b>STUDENT NUMBER:</b>														
<b>INITIALS &amp; SURNAME:</b>														
<b>IDENTITY NUMBER</b>														
<b>TELEPHONE NUMBER:</b>														
<b>COMPANY NAME:</b>														

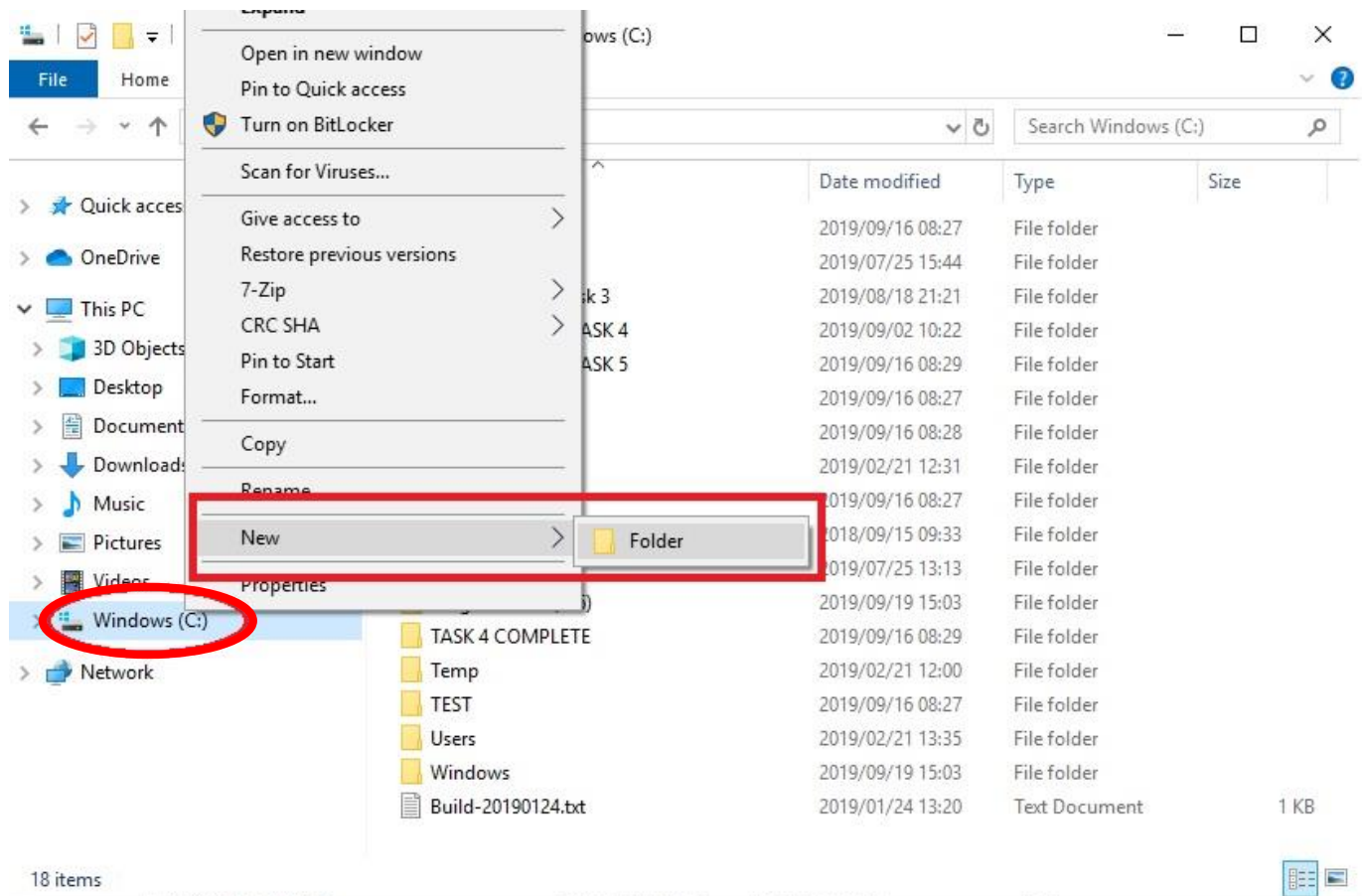
*Note: Please ensure we can reach you immediately after the exam at this number, in case your files are missing*

## PASTEL PRACTICAL QUESTION

100 MARKS

Create a new folder under the Local Disk (C:). The name of the folder should be **your surname and backup** (for example Ebrahim Backup).

(Open Windows Explorer, click on local disk (C:), right click on Windows (C:), select New, select Folder



Open Pastel Partner Version 18.

For the last 8 years, Mr Clapton has been running a well-known music instrument shop close to the UJ campus in Auckland Park, called **Music Direct**. Recently, Mr Clapton found out that accounting software could help him to keep better track of his business. He therefore decided to replace his current manual system with Pastel Partner Version 17 on 1 October 2019. As his accountant, you are required to create, set up and maintain the set of accounts on Pastel Partner Version 18. All the company information and requirements for the new system are set out below:

### SETTING UP THE COMPANY

(19)

1. Use the Setup Assistant to create the following company on the local C:/ drive of the computer. (Use the last 7 digits of your student number to create the company with the Setup Assistant):

Company Name	Last 7 digits of your student number	Price list	Retail
Date sequence:	DMY	Year format	2 digits
Financial Year	01/10/2019 – 30/09/2020	Chart of Accounts	Retail
Default Terms	30 days	Processing	Open Item
Document Printing	Plain Single Sheet	Bank accounts	Capitec account Petty cash account

2. This company will use one set of document numbers

## SETTING UP THE COMPANY (CONTINUED)

3. You will be User 00, your username will be your surname and your initials.

### **PASSWORD:**

Please note: **Your password should be: Bis@123**

It is **EXTREMELY** important that you use the correct password, as we will NOT be able to access your exam script if the wrong password was used. The password is case sensitive.

4. Remember to rename the descriptions of the two cashbooks. Rename the account access of the two cashbooks to any account.
5. Your company is registered for Normal VAT, and the default entry method of taxation is inclusive of VAT.
6. Set all Customer and Supplier Control details to print Tax Amounts on documents.
7. A 12% early settlement discount will be offered to customers settling their accounts within 14 days from the transaction date.
8. Add a default Customer Quotation message "This quotation is valid for 7 days only. Rock on!"
9. Goods Received Notes will be mandatory.
10. A 4.5% early settlement discount will be claimed to suppliers accounts settled within 30 days from date of statement.
11. Add a default message on all the purchase orders: "Please deliver ASAP! Thank you!"
12. Do not allow the inventory quantities to fall below zero and you want the system to check the reorder level when processing.
13. Set the default units for inventory to 'Each'.
14. Create the following Inventory categories:
- Guitars
  - Drums
15. You need to create the following 2 sub-accounts
- 001 Guitars
  - 002 Drums
- for the all of the following main accounts:
- 1000 – Sales
  - 2000 – Cost of Sales
  - 2100 – Inventory Adjustment
  - 2150 – Inventory Count Variance
  - 2200 – Purchase Variance
  - 7700 – Inventory Control

The description of all the sub-accounts should start with the main account description, and then the sub-account description e.g. Sales Guitars etc.

16. Note: Inventory is fully integrated into the general ledger, remember to add all the sub-accounts detail created in 15. in the inventory setup screen

### **Note:**

All other setup settings remain as the default settings.

## CREATING CUSTOMER, SUPPLIER AND INVENTORY ACCOUNTS

### 17. Create the following Customer Accounts:

(4)

#### Customer Listing

<b>Acc Name</b>	NEF001 Neil Ferreira	<b>Telephone:</b>	011 - 123 1111	<b>Cr Limit:</b>	R145 000
<b>Delivery Address</b>	PO Box 1111 Randburg	<b>Contact person:</b>	Neil	<b>Price List:</b>	Retail
		<b>Type:</b>	Open Item	<b>Normal Terms:</b>	60
				<b>Early Terms:</b>	01

<b>Acc Name</b>	CAS001 Cash Sales	<b>Telephone:</b>		<b>Cr Limit:</b>	R999 999
<b>Delivery Address</b>		<b>Contact person:</b>		<b>Price List:</b>	Retail
		<b>Type:</b>	Balance Forward	<b>Normal Terms:</b>	Current
				<b>Early Terms:</b>	No terms

<b>Acc Name</b>	GMK001 Gihan Mkhize	<b>Telephone:</b>	011 - 567 7665	<b>Cr Limit:</b>	R130 000
<b>Delivery Address</b>	PO Box 12 Garies	<b>Contact person:</b>	Gihan	<b>Price List:</b>	Retail
		<b>Type:</b>	Open Item	<b>Normal Terms:</b>	60
				<b>Early Terms:</b>	01

#### Note:

You should select the default tax type, and the VAT standard rate tax code for all of the created customers.

All other customer settings remain as the default settings.

### 18. Create the following Supplier Accounts:

(2)

<b>Acc Name</b>	GTW01 GuitarWorx	<b>Telephone:</b>	012 - 676 8990
<b>Physical Address</b>	PO Box 101 Centurion	<b>Contact person:</b>	Basetsana
		<b>Type:</b>	Open Item
		<b>Early Terms</b>	02
		<b>Normal Terms</b>	60

<b>Acc Name</b>	PNM01 PianoMan	<b>Telephone:</b>	011 - 676 8989
<b>Physical Address</b>	PO Box 5541 Midrand	<b>Contact person:</b>	Billy
		<b>Type:</b>	Open Item
		<b>Early Terms</b>	02
		<b>Normal Terms</b>	60

#### Note:

You should select the default tax type, and the VAT standard rate tax code for all of the created suppliers.

All other supplier settings remain as the default settings.

**19. Create the following Inventory Items:**

Please note that Selling Prices are inclusive of VAT.

**(5)**

**INVENTORY LISTING**

Code Description	Unit Size	Disc	Reorder Levels		--- Tax Type ---		Service Item	Inventory Category/ Group	Selling Price
			Min	Max	Sales	Purch			
STR0001 Fender Strat	Each	Both	2	25	1	1	No	Guitars	R 12 500
LEP0001 Gibson Les Paul	Each	Both	3	15	1	1	No	Guitars	R 18 500
MAR0001 Martin Acoustic	Each	Both	2	20	1	1	No	Guitars	R 19 900
BET0001 Beat-root Drumkit	Each	Both	2	40	1	1	No	Drums	R 6 800
DRP0001 Drum repair	Per hour	Both	N/A	N/A	1	1	Yes	Drums	R 750

**PROCESSING**

Remember to update all batches after capturing

**20. Process the following opening take-on balances:**

**(20)**

**Note:**

- Remember to create all the necessary sub accounts for account # 9990 – opening balances.
  - 9990/001 – General Ledger Opening Balance
  - 9990/002 – Customer Opening Balance
  - 9990/003 – Suppliers Opening Balance
  - 9990/004 – Inventory Opening Balance
  - 9990/005 – Bank Opening Balance
- Reference # for Opening balances is **OB** and the description is **Take on Balance**
- Remember to update all journal and cashbook batches after capturing

**The Closing Trial Balance at 30 September 2019 for Music Direct is as follows:**

<b>Trial Balance</b>		
<b>1 October 2018 – 30 September 2019</b>		
	<b>DR</b>	<b>CR</b>
Retained Income		287 250.00
Computer Equipment - @ Cost	25 000.00	
Computer Equipment - Accumulated Depreciation		10 000.00
Furniture & Fittings - @ Cost	92 000.00	
Furniture & Fittings - Accumulated Depreciation		12 000.00
Inventory Control	187 700.00	
Customer Control Account	33 000.00	
Capitec Current Account		2 000.00
Supplier Control Account		14 450.00
VAT / Tax Control Account		12 000.00
	<b>337 700.00</b>	<b>337 700.00</b>

The Customer Age Analysis at the end of September 2019 is as follows:

Music Direct			
Customer Age Analysis			
September 2019			
	30 Days	Current	Total
Neil Ferreira		14 000	14 000
Gihan Mkhize	7 000	12 000	19 000
	<b>7 000</b>	<b>26 000</b>	<b>33 000</b>

The Supplier Age Analysis at the end September 2019 is as follows:

Music Direct		
Supplier Age Analysis		
September 2019		
	Current	Total
GuitarWorx	7 000	7 000
PianoMan	7 450	7 450
	<b>14 450</b>	<b>14 450</b>

The inventory Valuation at the end September 2019 is as follows:

Music Direct			
Inventory Evaluation			
September 2019			
	Quantity	Price	Total
STR0001	6	R 7 500	R 45 000
LEP0001	6	R 8 500	R 51 000
MAR0001	7	R 9 900	R 69 300
BET0001	8	R 2 800	R 22 400
			<b>R 187 700</b>

Process the following Supplier documents:

(18)

21. Create a Purchase Order for the following inventory from GuitarWorx on the 4<sup>th</sup> of October 2019:
  - \* 3 x Fender Strat (Cost price incl. VAT – R 7 850) and
  - \* 4 x Gibson Les Paul (Cost price incl. VAT – R 8 990)
22. GuitarWorx delivered the following stock on the 8<sup>th</sup> of October 2019. Issue the Goods Received note:
  - \* 4 x Fender Strat (Cost price incl. VAT – R 7 850) and
  - \* 5 x Gibson Les Paul (Cost price incl. VAT – R 8 990)
23. The suppliers invoice from GuitarWorx is received on the 9<sup>th</sup> of October 2019. The invoice also includes a delivery fee of R 650 excl. VAT. The invoice number for this entire transaction is invoice # S188. Issue the Suppliers Invoice.
24. Create a Purchase Order for the following inventory from PianoMan on the 10<sup>th</sup> of October 2019:
  - \* 2 x Martin Acoustic (Cost price excl. VAT - R 9 900) and
  - \* 2 x Beat-root Drumkits (Cost price excl. VAT - R 2 800)

## Supplier processing (continued)

25. PianoMan delivered the ordered stock the next day, the 11<sup>th</sup> of October. Issue the Goods Received Note.  
\* Add the following remark to the purchase goods received note: *"Thank you for the quick delivery!"*
26. The suppliers invoice from PianoMan for the goods delivered is received via email on the 12<sup>th</sup> of October 2019. Invoice # S1242A. Issue the suppliers invoice.
27. 1 x Gibson Les Paul was returned to GuitarWorx on 14 October 2019 due to a manufacturing defect. Issue the Goods Return Note.
28. Remember to update all of your supplier batches.

## Process the following Customer documents:

(6)

29. On 13/10/2019, customer John Mayer bought the following for cash:  
\* 2 x Fender Strat  
*Mr Clapton decides to give John a 5% discount on the entire purchase because he is a loyal customer. Process the invoice accordingly.*
30. On 22/10/2019 Neil Ferreira bought the following on account:  
\* 3 x Fender Strat  
\* 2 x Martin Acoustic and  
\* Neil also had his drumkit repaired by the shop technician. The repair took 2 hours.  
*Mr Clapton decides to give Neil a 10% discount on the Martin Acoustics only. Process the invoice accordingly.*
31. Remember to update all of your customer batches.

## Process the following journals:

(10)

32. You have calculated the following yearly depreciation amount:

- R 5 000 per year for computer equipment. Ref. D10-2019

Process the above monthly depreciation journal for the month October 2019.

Note: Provide proper descriptions.

- 33.1 Create the following accounts:

- 3460/000 Impairment Loss (I/S)
  - Income statement financial category: I25
  - Report writer category: 25
- 6700/000 Accumulated Impairment: F & F (B/S)
  - Balance sheet financial category: B35
  - Report writer category: 99

- 33.2 Rename the following account:

- 6200/010 to Repair Machines

- 33.3 You have calculated an impairment loss of R 8 000 for furniture and fittings after a small fire at the shop on 30 October 2019. Process the applicable journal using the accounts created in 33.1. Ref. 10-2019.

Note: Provide proper descriptions

34. On 17 October 2019, Mr Clapton buys a guitar repair machine from GuitarWorx for R12 000 excluding VAT. Process the relevant supplier invoice for this transaction. Remember to use the Capital Goods option in the tax field, and use the applicable general ledger account for repair machines. Invoice number: GW1126.

**Remember to update all of your journal batches.**

**Process the following cheque payments through the Capitec bank account: (6)**

35. Create the following sub-account: 9990/006: 'Cash book transfer account' for the petty cash transfer.
36. Remember to select the cash book transfer account: 9990/006 in the setup menu.
37. **Cheque payments:**

CH# 401 06/10/2019 Electricity and Water R 650 Normal VAT	CH# 402 07/10/2019 Engen Garage Fuel for delivery vehicle R1 100 Zero Rated VAT	CH# 403 24/10/2019 Salaries R14 500 No VAT
CH# 404 30/10/2019 Draw cheque for petty cash R 2 000 No VAT	CH# 405 28/10/2019 GuitarWorx Paid Account (refer to take on balance) R7 000	CH# 406 28/10/2019 PianoMan Paid Account (refer to Invoice # S1242A dated 12 October 2019) R28 956

38. **Process the following deposits received through the Capitec bank account: (2)**

Dep # 200 01/10/2019 Interest received R 800 No VAT	Dep # 202 28/10/2019 Neil Ferreira (Payment refers to take on balance) R 14 000
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39. The following bank statement for October 2019 was received by the bank. Complete the bank reconciliation and make the necessary entries to the cash book.

**(8)**

**CAPITEC**

**Bank statement from 1 October 2019 to 30 October 2019**

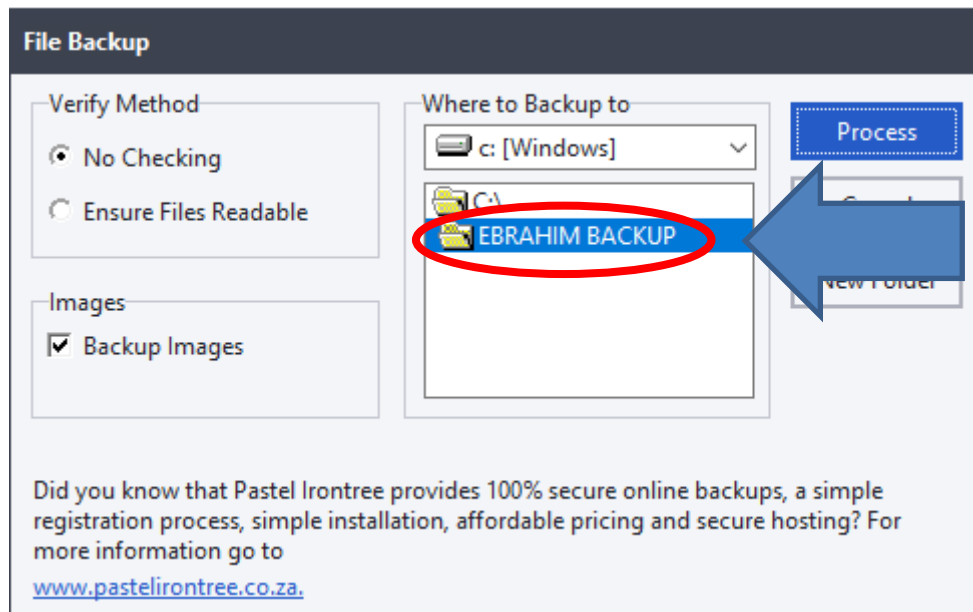
Date	Description	Ref#	Amount	CR / DR	Balance	CR / DR
30/09/2018	Opening Balance				2 000	DR
01/10/2018	Deposit	200	800	CR	1 200	DR
06/10/2018	Cheque	402	1 100	DR	2 300	DR
07/10/2018	Cheque	401	650	DR	2 950	DR
26/10/2018	Cheque	403	14 500	DR	17 450	DR
30/10/2018	Service Fees	BS102018	450	DR	17 900	DR
	<b>Closing Balance</b>				<b>17 900</b>	<b>DR</b>

40. Remember to update all your cashbook and bank reconciliation batches.



**Submit your exam on Blackboard:**

41. Create a backup of your Company Data under the folder of your surname on the local disk (C:) (File, Backup).



42. Upload and submit the company backup ZIP file (name: last 7 digits of your student number) to Blackboard under Assignments, November Exam. Do not forget to attach the file (*Add attachment*) before clicking on the Submit button

**PLEASE NOTE:**

- Please hand in this questionnaire.
- Only your Blackboard file is used for marking
- Do not zip your file through any normal Windows Zip method, only the formal backup process through Pastel is valid and will be marked.
- Ensure that the front page of this questionnaire is completed and that you have uploaded, attached AND submitted your correct zip file in the correct place
- No marks can be awarded for files that are not uploaded, attached and submitted.
- No second opportunity will be granted if files are not uploaded, attached and submitted.
- If you are unsure, ask an assistant to help you.