



## **Education and Sport Development**

Department of Education and Sport Development  
Departement van Onderwys en Sportontwikkeling  
Lefapha la Thuto le Tihabololo ya Metshameko  
**NORTH WEST PROVINCE**

### **PROVINCIAL ASSESSMENT**

**GRADE 10**

**ACCOUNTING  
JUNE 2017**

**MEMORANDUM**

**MARKS: 200**

**This memorandum consists of 9 pages.**

**QUESTION 1:**

Choose the concept in column B which matches the explanation in **column A**. Write **ONLY** the letter, e.g. 1.1. A.

<b>COLUMN A</b>	<b>COLUMN B</b>
1.1 The document attached to the document used to pay a supplier for an amount owed to him, using money in the business bank account.	<b>E. Cheque counterfoil</b> ✓✓
1.2 Bank overdraft.	<b>G. Current liability</b> ✓✓
1.3 Money the owner gives to start the business.	<b>B. Capital</b> ✓✓
1.4 Assets with a long life span.	<b>A. Tangible/ Fixed assets</b> ✓✓
1.5 Money received by the business for selling stock.	<b>D. Income</b> ✓✓
1.6 Other businesses to which the business owes money for purchasing stock.	<b>C. Creditors</b> ✓✓
1.7 The reason why a person would start a business.	<b>F. Profit motive</b> ✓✓
1.8 The GAAP principle that says that assets purchased by the business are entered at cost price in the accounting records.	<b>I. Historical cost</b> ✓✓
1.9 The employer must deduct income tax from his employees.	<b>J. PAYE</b> ✓✓
1.10 The business will continue to operate in the future.	<b>H. Going concern concept</b> ✓✓

**QUESTION 2:****2.1.1 CASH RECEIPT JOURNAL OF STHE TRADERS FOR MARCH 2017**

Doc	Day	Details	Analysis of receipts	Bank	Sales	Cost of Sales	Debtor's control	Discount allowed	Amount	Details
21	1	Sales✓	5 100✓		5 100✓	2 550✓				
58		L. Lion✓	760✓	5 860✓			800✓	40✓		
	10	S. Bank	68 000	68 000✓					50 000✓	Fixed Deposit✓
									18 000✓	Interest on fixed deposit✓
				73 860☒			800✓			

**(15)****2.1.2 CASH PAYMENT JOURNAL OF STHE TRADERS FOR MARCH 2017**

Doc	Day	Payee	Bank	Wages	Trading stock	Creditor's control	Discount received	Amount	Details
711	5	Zoo Wholesalers✓	2 160✓		2 160✓				
712	7	Bingo Traders✓	1 500✓			1 590✓	90✓		
713	9	First Bank✓	600✓					600✓	Loan✓
714	14	Child Welfare✓	300✓					300✓	Donation✓
715	21	Cash	3 500✓	3 500✓					
716	31	Cash	380✓					380✓	Petty cash✓
BS	31	Star Bank	90✓					90✓	Debtor's control✓
BS	31	A. Tlou(R/D)	1 400✓					1 400✓	Debtor's control✓
			9 930☒	3 500	2 160	1 590✓	90	2 770	

**(28)**

**2.2.1****Dr****BANK****Cr**

Mar 2017	1	Balance	b/d	500	Mar 2017	31	Total payments ✓	CPJ	9 930☑
	31	Total receipts✓	CRJ	73 860☑					

**(4)****2.2.2****Dr****CREDITOR`S CONTROL****Cr**

Mar 2017	31	Bank and discount received✓	CPJ	1 590☑	Mar 2017	1	Balance	b/d	20 600

**(2)**

**2.3.1 Provide the double entry for the cancellation of the discount allowed in the transaction of A Tlou dated 31 March.**

Debit Debtor`s Control✓ R 50✓

Credit Discount Allowed✓ R 50✓

**(4)**

**2.3.2 Do you think that the bank account had a favourable balance throughout the month? Provide a suitable answer by explaining.**

No✓

The business was charged interest on overdraft✓✓

**(3)**

**QUESTION 3****ACCOUNTING EQUATION**

Use the following information of Zet Traders to show the effect of each transaction on the accounting equation.

**Example**

Donate stationery to the amount of R450 to a local crèche.

	Account debited	Account credited	Amount	Asset	Owner`s Equity	Liabilities
Ex	Donation	Stationery	550	0	- +	0
1	Donation✓	Merchandise✓	480✓	-✓	-✓	0
2	Debtor`s control✓	Interest income✓	5✓	+✓	-✓	0
3	Bank✓	Bad debt recovered✓	150✓	+✓	+✓	0
4	Creditor`s control✓	Bank✓	620✓	-✓	+✓	-✓
5 a	Drawings✓	Bank✓	600✓	-✓	-✓	0
B	Petty Cash✓	Bank✓	700✓	+✓ -✓	0	0
c	Repairs✓	Bank✓	400✓	-✓	-✓	0
6	Interest expense✓	Bank✓	66✓	-✓	-✓	0

**(41)**

**QUESTION 4****DEBTORS AND THE LIST****4.1****GENERAL LEDGER OF ZIZI TRADERS****Dr****DEBTOR`S CONTROL****Cr**

April 2017	1	Balance	b/d	94 560✓	April 2017	30	Bank and discount(257 508✓+ 80✓)	CRJ	257 588
	31	Sales(271 050✓- 6 000✓)	DJ	265 050			Debtor`s allowance	DAJ	1 122✓
		Bank	CP J	270✓			Journal credits	GJ	936✓
		Journal debits(624✓+30✓ +180✓)	GJ	834			Balance	c/d	101 068 ☑
				360 714					360 714
May	1	Balance	b/d	101 068☑					

**(13)****4.2****Debtor`s List on 30 April 2017**

<b>Debtors</b>	<b>Debit</b>	<b>Credit</b>
C. Lebo ( 17 960✓ + 30✓)	17 990	
S. Thabo ( 19 910✓ + 200✓)	20 110	
W. Jos ( 18 202✓ + 600✓)	18 802	
V. Vuyani	12 460✓	
B. Ben	17 382✓	
H. Hope ( 14 404✓ – 80✓)	14 324	
T. Tlou ( 180✓ – 180✓)	0	
	101 068☑	

**(13)**

**4.3.1 Name two ways to encourage debtors to pay their accounts on time.✓✓✓✓**

- Give discount for early settlement of accounts.
- Charge interest on overdue accounts.
- Send regular reminders and requests for account payment.
- No sales to overdue debtors
- Close accounts of long overdue debtors.

**(4)****4.3.2 Explain the difference between Credit Terms and Credit Limit.****Credit terms**

The terms offered by the seller to the buyer for the maximum time allowed for repayment✓✓

**Credit limit**

A maximum amount allowed to buy on credit✓✓

**(4)**

**QUESTION 5****VAT****5.1 Define the following concepts:**

5.1.1 Value Added Tax	
Value Added Tax is tax that is collected by the seller from the customers and paid over to South African Revenue Services (SARS). ✓✓	<b>(2)</b>

5.1.2 VAT- exempted items	
VAT- exempted Items are items on which no VAT is levied. ✓✓	<b>(2)</b>

5.1.3 Zero-rated items	
Zero rated items are basic products on which VAT is charged at zero percent (0%). ✓✓	<b>(2)</b>

5.3 List THREE zero-rated items from the above information	
Cooking oil ✓ Rice ✓ Sugar beans ✓	<b>(3)</b>

5.4 What is the current rate of VAT in South Africa?	
14% ✓✓	<b>(2)</b>

5.5 Is it ethical for Zico Traders to charge VAT on zero rated items? Explain	
No ✓ The law does not allow a registered VAT vendor to charge VAT on zero rated items. ✓✓	<b>(3)</b>

**5.5****SIS B`S OUTFITTERS****DEBTORS LEDGER – FEBRUARY 2017**

Date		Details	Folio	Debit	Credit	Balance
Feb 2017	1	Balance	b/d			2 000 ✓
	3	Inv no C05	DJ	300 ✓		2 300 ✓
	8	Inv no C31	DJ	600 ✓		2 900 ✓
	9	C/N no B29	DAJ		150 ✓	2 750 ✓
	15	Rec no R25	CRJ		1 000 ✓	1 750 ✓
		Discount allowed	CRJ		25 ✓	1 725 ✓
	19	Inv no C53	DJ	550 ✓		2 275 ✓
	21	Rec no R31	CRJ		700 ✓	1 575 ✓
	25	Inv no C65	DJ	525 ✓		2 100 ✓
	26	R/d cheque	CPJ	700 ✓		2 800 ✓

**(20)**

**NOTE: The method mark of the balance column, debit entry added and credit entry subtracted.**

**QUESTION 6****SALARIES AND WAGES**

6.1.1 Calculate the gross wage for the week ending 30 March 2017	(5)
40 X 160 = 6 400√√	
6 X 230 = 1 380√√	
R 7 780☑	

6.1.2 How much has it cost Ditebogo Clothing in total to employ Jane Menoe for the week ended 30 March 2014?	(4)
R7 780☑ + R621√ + R1 260√ =R9 661☑	

6.2 Eva Visser has recently started working as a bookkeeper and has been placed on the following salary scale: R360 000 x 54 000 – 522 000 x 90 000 – 702 000 x 109 800 – 811 800.	
6.2.1 What will Eva's monthly gross salary be when she starts working?	(2)
R360 000/ 12 = R30 000√√	

6.2.2 What will Eva earn per month in her fourth year of working?	(5)
R360 000 + R54 000√ + R54 000√ + R54 000√ = R522 000	
R522 000√ /12 = R43 500☑	

**TOTAL: 300**