



Education and Sport Development

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

PROVINCIAL ASSESSMENT

GRADE 10

ACCOUNTING

JUNE 2017 – QUESTION PAPER

MARKS: 200

TIME: 2 hours

This question paper consists of 11 pages.

INSTRUCTIONS AND INFORMATION.

Read the instructions carefully and follow them precisely.

1. Answer ALL questions.
2. A special ANSWER BOOK is provided in which to answer ALL the questions.
3. Show workings in order to achieve part-marks.
4. You may use a non-programmable calculator.
5. You may use a dark pencil or blue ink to answer the questions.
6. Use the information in the table below as a guide when answering the question paper. Try NOT to deviate from it.

QUESTION 1: 20 marks; 12minutes	
Main topic of the question	This question integrates:
Financial accounting; Managing resources	Concepts GAAP

QUESTION 2: 56marks; 34minutes	
Main topic of the question	This question integrates:
Financial accounting; Managing resources	Cash Journals General Journal Ledger Accounts Internal Control

Question 3: 41 marks; 24 minutes	
Main topic of the question	This question integrates:
Financial accounting	Accounting Equation

QUESTION 4: 34 marks; 20minutes	
Main topic of the question	This question integrates:
Financial accounting; Managing resources	Debtors Control and Debtors List

QUESTION 5: 34 marks; 20minutes	
Main topic of the question	This question integrates:
Financial accounting; Managing resources	VAT

QUESTION 6: 15 marks; 10minutes	
Main topic of the question	This question integrates:
Financial accounting	Salaries and Wages Journal

QUESTION 1**CONCEPTS****(20 marks; 12 minutes)****REQUIRED**

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

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

QUESTION 2**(56 marks; 35 minutes)****CASH JOURNALS AND GENERAL LEDGER**

The following information was taken from the accounting records of Sthe Traders. The business uses a mark-up of 100% on cost.

REQUIRED

2.1 Enter the transactions listed below in the Cash Journals of Sthe Traders for March 2017. (43)

Total only the columns of Bank and Creditors' control.

2.2 Prepare the following accounts in the General Ledger:

Bank (4)
Creditors' control (2)

Do not close off the accounts.

Transactions during March 2017

01 Information as per cash register roll no. 21:

Cash sales, R5 100

01 Issued receipt no. 58 to L Lion for R760 in settlement of his debt of R800.

05 Purchased goods for R2 400 less 10% trade discount from Zoo Wholesalers and paid by cheque no 711.

07 Paid R1 500 to creditor Bingo Traders by cheque and received a discount of R90.

09 Issued a cheque to First Bank for R600 as monthly repayment towards the loan.

10 The fixed deposit of R50 000 had matured. Received a cheque for R68 000 from Star Bank.

14 Issued a cheque to Child Welfare for R300 as a donation.

21 Drew a cheque to pay the weekly wages, R3 500.

31 Cashed a cheque for R380 to restore the Petty Cash imprest amount of R400.

31 The bank statement from Star Bank revealed the following in respect of the current account:

- Interest on debit balance, R90
- Unpaid cheque for R1 380.

This cheque was received from A. Tlou for R1 400 in

settlement of his account of R1 450 and the discount was cancelled.

2.3 Answer the following questions:

2.3.1 Provide the double entry for the cancellation of the discount allowed in the transaction of A Tlou dated 31 March.(4)

2.3.2 Do you think that the bank account had a favourable balance throughout the month? Provide a suitable answer by explaining. (3)

QUESTION 3**(41 marks; 25 minutes)****ACCOUNTING EQUATION****REQUIRED**

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 R550 to a local crèche.

	Account debited	Account credited	Amount	Asset	Owner`s Equity	Liabilities
Ex	Donation	Stationery	550	0	- +	0

1. Merchandise with a selling price of R600 was donated to the local primary school (profit margin of 25% on the cost price).
2. Charged the overdue account of R600 of A Sthe with interest at 10% p.a. for one month,
3. Received R150' from G Nare. His account was written off as a bad debt during the previous year.
4. Sent a cheque to W Tsheno for R620 to settle your account of R645.
5. Drew a cash cheque for the following:
 - the owners' daughter's school fees, R600
 - the petty cashier, R700
 - repairs to equipment, R400
6. The bank charged the overdrawn bank account of the business with R66 interest.

QUESTION 4**(34 marks; 20 minutes)****DEBTORS AND THE LIST**

The following information was taken from the books of Jozi Traders.

REQUIRED

4.1 Draw up the adjusted Debtors' Control account as on 30 April 2017, after the errors have been taken into account. (13)

4.2 Calculate the correct total of the Debtors' List. Show all amounts. (13)

4.3 Answer the following questions:

4.3.1 Name two ways to encourage debtors to pay their accounts on time. (4)

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

INFORMATION**GENERAL LEDGER OF ZIZI TRADERS**

Dr					DEBTOR`S CONTROL					Cr	
April 2017	1	Balance	b/d	94 560	April 2017	30	Bank and discount	CRJ	257 508		
	31	Sales	DJ	271 050			Debtor`s allowance	DAJ	1 122		
		Bank	CPJ	270			Journal credits	GJ	936		
		Journal debits	GJ	624			Balance	c/d	106 938		
				366 504					366 504		
May	1	Balance	b/d	106 938							

Debtor`s List on 30 April 2017

Debtor`s	Debit	Credit
C. Lebo	17 960	
S. Thabo	19 910	
W. Jos	18 202	
V. Vuyani	12 460	
B. Ben	17 382	
H. Hope	14 404	
T. Tlou		180
	100 318	180

Additional information

The total of the Debtors' List did not agree with the balance in the Debtors' Control account. The following errors were found:

- 1 The Debtors' Journal was overcast by R6 000.
- 2 C Lebo's cheque for R270 was returned by the bank marked "insufficient funds". This cheque was previously received to settle his debt of R300. No entry has been made to record the cancellation of the discount.
- 3 An entry of R230 in the Debtors' Allowance Journal was posted to W Jos's account as R830 by mistake.
- 4 A receipt for R1 088 was issued to H Hope in payment of his account. It was incorrectly recorded in the CRJ as R1 008 and posted to the ledger as such.
- 5 A debtor, T Tlou's credit balance must be carried over to the Creditors' Ledger.
- 6 The account of S Thabo was undercasted by R200.

QUESTION 5**(34 marks; 20 minutes)****VAT****INFORMATION:**

ZICO TRADERS		INVOICE No. 173		
VAT Reg No.00765/2110		34 Blue Street Rustenburg 0300		
To: Sthe Stores 92 Lentswe Street Thlabane 0299		31 March 2017		
Quantity	Description	Unit Price	VAT	Amount
5 Liters	Cooking Oil	R40,40	NIL	R40.40
50 Kg	White Sugar	250,00	R35,00	R250,00
2 X 5Kg	Rice	R56/KG	NIL	R112,00
10 Boxes	Corn Flakes Cereal	R36.20	R50.68	R362.00
5 Kg	Sugar Beans	R67,00	NIL	R67,00
Sub Total				R831.40
VAT RATE?				R 85.68
TOTAL				R917.08
Signed:				

REQUIRED:**5.1 Define the following concepts:**

5.1.1 Value Added Tax (2)

5.1.2 VAT exempted items (2)

5.1.3 Zero- rated items (2)

5.2 List THREE zero-rated items from the above information (3)

5.3 What is the current rate of VAT in South Africa? (2)

5.4 Is it ethical for Zico Traders to charge VAT on zero-rated items? Explain (3)

5.5 The information below refers to Sis B`s Outfitters. They sell for cash and on credit. The business uses a mark-up of 50%.

REQUIRED:

Record the following transactions directly in the account of S. White in the Debtors Ledger.

Transactions for February 2017

- 01 Balance owing by S. White R2 000.
- 03 Sold merchandise for R300 to S. White on credit as per inv. no. C05.
- 08 Delivered stock on credit to S. White as per inv. no. C31, R600.
- 09 Issued credit note no. B29 to S. White for spoiled goods returned R150.
- 14 Issued a cash sales slip to S. White for goods sold R410.
- 15 S. White paid R1 000 towards his account. A discount of R25 was allowed. (Rec. no. R25)
- 19 Sold stock valued at R900 to S. WhiteA cash sales slip for R350 was issued. Inv. no. C53 was issued for the rest of the purchase.
- 21 Issued a receipt (no. R31) to S. White for R700 as part payment of his account.
- 25 Sold merchandise for R525 to S. White on credit as per inv. no. C65.
- 26 The bank informed Sis B`s Outfitters that the cheque received from S. White on the 21st had been dishonoured due to insufficient funds.

QUESTION 6**(15 marks; 10 minutes)****SALARIES AND WAGES**

6.1 Jane Menoe has been appointed as a casual worker at Ditebogo Traders. The details below were extracted from her wage slip for the week ending 30 March 2017

Normal hours worked:	40
Overtime hours worked:	6
Normal Rate per hour:	R160
Overtime Rate per hour:	R230
Deductions:	
PAYE:	12% of gross salary
Pension Fund:	R207
Medical aid:	R210
UIF:	R31,50
Skills Development Levy:	R9
Employer Contribution	
Pension Fund:	R3 for every rand contributed by the employee
Medical Aid Fund:	R6 for every R1 contributed by the employees

QUESTIONS:

6.1.1 Calculate the gross wage for the week ending 30 March 2017 (5)

6.1.2 How much has it cost Ditebogo Clothing in total to employ Jane Menoe for the week ended 30 March 2017?(4)

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)

6.2.2 What will Eva earn per month in her fourth year of working? (5)

TOTAL: 200