

**ACCOUNTING**  
**Grade 10 - EXAMINATION**

MARKS : 200

TIME: 2 HOURS

**INSTRUCTIONS AND INFORMATION:**

1. The question paper consists of 5 questions. Answer ALL the questions.
2. A special ANSWER BOOK is provided in which to answer ALL the questions.
3. Calculations must be shown in order to achieve part-marks.
4. You may use a non-programmable calculator.
5. You may use a dark pencil or blue/black 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.

<b>QUESTION 1: 40 marks; 25 minutes</b>	
<b>Topic of the question:</b>	<b>This question integrates:</b>
Matching Columns Multiple Choice Accounting equation	Classifications Theory The influence of different transactions on the accounting equation of a sole trader

<b>QUESTION 2: 50 marks; 25 minutes</b>	
<b>Topic of the question:</b>	<b>This question integrates:</b>
The General Ledger	Complete the General Ledger accounts

<b>QUESTION 3: 15 marks; 10 minutes</b>	
<b>Topic of the question:</b>	<b>This question integrates:</b>
Credit transactions	Debtors Ledger of a sole trader

<b>QUESTION 4: 45 marks; 30 minutes</b>	
<b>Topic of the question:</b>	<b>This question integrates:</b>
Wages Journal	Calculating and note of the wages scale and payments in the journal

<b>QUESTION 5: 50 marks; 30 minutes</b>	
<b>Topic of the question:</b>	<b>This question integrates:</b>
General Journal, Adjustments and internal control	Preparing the General Journal of the sole trader while taking into consideration the end of the year adjustments. Answer the questions on internal control measures.

**QUESTION 1: MATCHING COLUMNS, MULTIPLE CHOICE AND ACCOUNTING EQUATION (40 MARKS)**

1.1 MATCHING COLUMNS

Match the account in column A with the correct concept in column B. Record only the correct letter to indicate the document in your Answer Book.

COLUMN A		COLUMN B	
1.1.1	Debtors Control	A	Income
1.1.2	Sales	B	Liability
1.1.3	Creditors Control	C	Expense
		D	Asset

(3)

1.2 MULTIPLE CHOICE

1.2.1 Assets are always reflected at their original cost price:

- a. Capital
- b. Drawings
- c. Double entry principle
- d. Historical cost rule

1.2.2 Items that are of importance must be treated separately:

- a. Assets
- b. Liabilities
- c. Business entity rule
- d. Double entry principle

1.2.3 Cash and cheques received and electronic transfers are recorded in the:

- a. Petty Cash Journal
- b. Cash Receipts Journal
- c. General Journal
- d. Cash Payments Journal

1.2.4 Credit purchases of trading stock and other items are recorded in the :

- a. Debtors Journal
- b. Creditors Journal
- c. Debtors Allowances Journal
- d. Cash Payments Journal

1.2.5 The discount received from a creditors for early payment is:

- a. an asset
- b. a liability
- c. an income
- d. an expense

1.2.6 The source document used to put through various entries in the General Journal e.g. write off bad debts is a:

- a. Credit Note
- b. Duplicate Invoice
- c. Journal Voucher
- d. Petty Cash Voucher

1.2.7 When trading stock is returned to the supplier, the following entries are made in the General Ledger:

- a. Dr Discount Received, Cr Creditors Control
- b. Dr Bank, Cr Trading Stock
- c. Dr Creditors Control, Dr Trading Stock
- d. Cr Trading Stock, Dr Creditors Control

(7)

1.3 Complete the given table in the answer book for the transactions of De Ponte Traders which make use of a 50% profit margin on the cost price of all products.

TRANSACTIONS

1.3.1 Received a cheque of R4 750 from a debtor, C Crafford to settle her debt of R5 000.

1.3.2 Return damaged equipment, that was bought on credit for R6 000, back to the supplier.

1.3.3 Sell goods for R990 on credit to M. van Zyl.

1.3.4 Charge a debtor, L. Linde, with interest for three months on his overdue account of R900. Interest must be calculated at 12% per annum.

1.3.5 The owner took trading stock with a selling price of R300 for his own use.

(30)

TOTAL MARKS : 40

**QUESTION 2: GENERAL LEDGER ACCOUNTS AND QUESTIONS (50 marks)**

REQUIRED:

- 2.1 Prepare the following General Ledger accounts in the books of Monique Stores and balance the accounts at the end of May 2018:
- 2.1.1 Trading stock (14)
  - 2.1.2 Debtors control (12)
  - 2.1.3 Creditors control (12)
- 2.2 Answer the following questions:
- 2.2.1 In which section of the General Ledger will the Trading Stock account appear? (1)
  - 2.2.2 Calculate the balance of the bank account on 31 May 2018. (5)
  - 2.2.3 List TWO ways to motivate debtors to pay their accounts on time. (2)
  - 2.2.4 List TWO transactions that will be recorded on the debit side of the General Journal. (4)

**INFORMATION**

The following information appeared in the books of Monique Stores for May 2018.

Balances on 1 May 2018:

	R
Trading stock	14 650
Debtors control	16 700
Creditors control	33 440
Bank (cr)	4 567

**CASH RECEIPTS JOURNAL**

Bank	118 207
Sales	46 000
Cost of sales	28 750
Debtors control – Receipts	16 667
Discount allowed	1 333
Sundry accounts	55 540

**CASH PAYMENTS JOURNAL**

Bank	?
Trading stock	59 389
Stationery	25 450
Creditors control – Payments	34 550
Discount received	5 450
Sundry accounts	44 765

**CREDITORS JOURNAL**

Creditors control	75800
Trading stock	?
Stationery	11246
Sundry accounts	4 125

**CREDITORS ALLOWANCES JOURNAL**

Creditors control	?
Trading stock	3 256
Stationery	3 098
Sundry accounts	2 136

**DEBTORS JOURNAL**

Sales	38 720
Cost of sales	?

**DEBTORS ALLOWANCES JOURNAL**

Debtors allowances	1 850
Cost of sales	1 116

**PETTY CASH JOURNAL**

Petty cash	628
Trading stock	356
Postage	113
Stationery	134
Debtors control	25

**GENERAL JOURNAL**

Debtors control – DR	720
Debtors control – CR	347
Creditors control – DR	165
Creditors control – CR	654

**TOTAL MARKS :50**

**QUESTION 3:** DEBTORS LEDGER (15 marks)

The following information appeared in the books of Fongoza Traders.

**REQUIRED:**

3.1 Complete the Debtors Ledger of B. Montso for April 2018.

**TRANSACTIONS : April 2018**

- 1 The amount owed by B. Montso to the business amounted to R750.
- 4 Sell goods with a value of R440, cost price R375, on credit to B. Montso as per invoice 11.
- 7 Received a cheque from B. Montso for R1 000 as settlement of her account todate. Issue receipt 478.
- 11 Sell goods with a value of R1 380 on credit to the debtor B. Montso as per invoice 56.
- 13 Issue credit note number 54 to B. Montso for R225. The goods are badly damaged and she did not send them back to Fongoza Traders.
- 18 B. Montso paid the business R800 per cheque. Receipt no 678 was issued to her.
- 19 The bank informed the business that the cheque that they received the previous day from B. Montso was dishonoured due to insufficient funds.
- 26 Sales of R654 as per invoice 123 to B. Montso..
- 29 Issue a credit note number 55 to B. Montso for R120.

**TOTAL MARKS : 15**

**QUESTION 4: WAGES JOURNAL AND QUESTIONS** (45 marks)

The following information appeared in the books of Servaas Traders for May 2018.

**REQUIRED:**

- 4.1 Prepare the Wages Journal for the week ended 30 April 2018. It is not necessary to add the columns in the journal. (39)
- 4.2 Answer the following questions:
- 4.2.1 Why does worker M. Morgan earn the highest wage per week? Provide TWO reasons to support your answer. (2)
- 4.2.2 List ONE reason why S. Swart pays the highest amount for medical aid. (2)
- 4.2.3 Why did R. Roos only work for 40 hours? List TWO reasons. (2)

**INFORMATION**

Servaas Traders employed three workers. A month consists of **four** working weeks. The employees are allowed to work for 45 hours a week normal time.

Name	Normal time		Overtime	
	Hours worked	Rate per hour	Hours worked	Rate per hour
M. Morgan	45	R30	12	Double the normal rate
S. Swart	45	R25	8	
R. Roos	40	R20	2	

**Deductions were as follows:**

- All members contribute 8% of their basic wage to the pension fund.
- Every member paid R24 per month to the Staff fund.
- Employees paid the standard rate of 1% towards the unemployment insurance fund. **Ignore cents in your calculations.**
- Tax must be calculated at 20% of employees' gross wage.
- The medical aid works as follows:  
Single members pay R40 per week  
Married members pay R80 per week.  
Married members with one child pay R400 per month.

M. Morgan	S. Swart	R .Roos
Single	Married	Married with 1 child

The employer's contribution is as follows:

- Contributes 12 % of the basic wage to the pension fund.
- Contributes R2 for every R1 that the employee pays to medical aid.

**TOTAL MARKS : 45**

**QUESTION 5:** GENERAL JOURNAL AND INTERNAL CONTROL (50 marks)

The following information appeared in the books of DD Traders.

**REQUIRED:**

- 5.1 Use **only** the adjustments that are relevant to the General Journal. Show which account must be debited and which account must be credited in the General Journal of DD Traders on 28 February 2018. Journal narrations must be shown, but it is not necessary to close off the journal.
- 5.2 Answer the following questions:  
Dawie Conradie, the owner of DD Traders, suspects that his secretary is ordering her kids school stationery on the business account and that she is not paying for it.
- 5.2.1 Explain TWO strategies that Dawie should use in his business to stop employees to continue this behaviour.
- 5.2.2 Briefly explain to Dawie TWO other areas within the business that may require tighter control in order to eliminate employees benefitting unlawfully from his business.

**Adjustments:**

1. Wrote off the account of B Bambi as irrecoverable, R200.
2. The owner took goods from stock for personal use, R300.
3. A debtor, L Leedy, owed DD Traders R120. He paid 30c in the rand. Wrote off the rest as irrecoverable.
4. Charged R20 interest on the account of C Cyster.
5. The owner donated goods from stock to the Hillcrest Hospital in his personal capacity, R300.
6. Received R250 from C Curnow, whose account had previously been written off as irrecoverable.
7. D Dahl charged R55 interest on the business's overdue account.
8. The owner returned goods taken for personal use, R100.
9. Goods sold on credit to K Len, R450 was recorded in the Debtors Journal as R540. Correct this error.
10. The bank returned a cheque from debtor L Lotz, deposited earlier this month, marked R/D, R200. The cheque was received in payment of an account of R240.
11. Stationery purchased was incorrectly posted to the Trading Stock account, R222. Correct the error.
12. DD Traders delivery vehicle went for a service. The bookkeeper posted this expense to the Vehicle Account instead of the Vehicle Expense Account, R1 800. Correct the error.

**TOTAL MARKS : 50**

**TOTAL : 200 MARKS**