



## **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 2019  
MARKING GUIDELINES**

**MARKS: 200**

**TIME: 2 hours**



NW/JUNE/ACCNG/ EMIS/6\*\*\*\*\*

**QUESTION 1**

1.1

1.1.1	C	✓
1.1.2	D	✓
1.1.3	B	✓
1.1.4	E	✓
1.1.5	A	✓

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1.2

NO.	GENERAL LEDGER ACCOUNT		ASSET	EQUITY	LIABILITY
	DEBIT	CREDIT			
<b>Eg.</b>	<b>Bank</b>	<b>Capital</b>	<b>+ 120 000</b>	<b>+120 000</b>	
1.2.1	Bank ✓	Rent Income ✓	+ 4 680 ✓	+ 4 680 ✓	
1.2.2	Bank ✓	Loan ✓	+220 000 ✓		+220 000 ✓
1.2.3	Consumable Stores ✓	Pettycash ✓	- 210 ✓	- 210 ✓	
1.2.4	Debtors Control ✓	Bank ✓	± 760 ✓✓		
1.2.5	Stationery ✓	Creditors Control ✓		- 2 180 ✓	+ 2 180 ✓

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1.3.1

<b>(a)</b>	$57\,280 \checkmark \times 100/160 \checkmark = 35\,800 \checkmark$ <b>One part correct</b>
<b>(b)</b>	$96\,500 \checkmark - (57\,280 + 15\,000) \checkmark\checkmark = 24\,220 \checkmark$ <b>One part correct</b>
<b>(c)</b>	$42\,400 + 3\,400 + 28\,900 + 18\,500 = 93\,200 \checkmark$ <b>One part correct</b>
<b>(d)</b>	$14\,200 \checkmark \times 160\% \checkmark = 22\,720 \checkmark$ <b>One part correct</b>

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1.3.2

**GENERAL LEDGER OF TRUMP STORE  
BANK**

2017 July	1	Balance	b/d	23 500 ✓	2017 July	31	Total payments / Sundry acc. ✓	CRJ	93 200 ✓ See 1.3.1 (c)
	31	Total receipts/ Sundry acc. ✓	DJ	96 500 ✓			Balance	c/d	26 800 ✓
				120 000 ✓					120 000
Aug	1	Balance	b/d	26 800 ✓					

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**DEBTORS CONTROL**

2017 July	1	Balance	b/d	35 380 ✓	2017 July	31	*Bank ✓	CRJ	24 220 ✓ See 1.3.1 (b)
	31	Sales ✓	DJ	22 720 ✓ See 1.3.1 (dc)			*Discount Allowed ✓	CRJ	3 220 ✓
		Journal debits	GJ	3 000 ✓			Debtors Allowances ✓	DAJ	3 100 ✓
							Journal credits	GJ	1 200 ✓
							Balance	c/d	32 360 ✓
				64 100					61 100
Aug	1	Balance	b/d	32 360 ✓			* Can combine it		

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**COST OF SALES**

2017 July	1	Balance	b/d	56 120 ✓	2017 July	31	Trading Stock ✓	DAJ	1 120 ✓
	31	Trading Stock ✓	CRJ	35 800 ✓ See 1.3.1 (a)					
		Trading Stock ✓	DJ	14 200 ✓					

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**QUESTION 2**

2.1.1 **TWO advantages of credit sales**

Any TWO advantages ✓✓ ✓✓

It increases sales  
 Allows the business to charge more for offering this service  
 More customers as they can purchase anytime during the month  
 Can stock a wider range of goods / stock turnover should improve

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2.1.2 **TWO vital information to be checked before allowing credit.**

Any TWO check points ✓✓ ✓✓

Employment history / income earned per month / credit references /  
 Banking details

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2.1.3 **How can the business ensure that debtors pay their accounts in time? TWO points.**

Any TWO valid points ✓✓ ✓✓

Give discounts for early payments  
 Charge interest when accounts are overdue  
 Send regular statements and/or reminders / sms  
 Provide other incentives such as gift vouchers / specials

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2.2 **FRANK THULO (DL6)**

2.2.1

<b>Folio - 7<sup>th</sup> :</b>	DAJ3 ✓	<b>Folio - 21<sup>st</sup> :</b>	GJ3 ✓
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2.2.2

<b>Detail for the 10<sup>th</sup> :</b>	Receipt ✓
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2.2.3 **Amount owed by Thulo on 1 September 2017:**

17 490 ✓ – 4 380 ✓ = 13 110  **One part correct**

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2.2.4 **Percentage discount granted when R4 500 was received.**

225 ✓ / 4 500 ✓ x 100 ✓ = 5%  **One part correct**

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2.2.5

<p><b>Comment on the entry for interest.</b></p> <p>Any valid comment ✓                  Must include that it is recorded on the wrong side ✓✓</p> <p>Interest is charged when the account is not managed properly.                  Payments are not received on time                  It is a way of ensuring that debtors pay their accounts on time.                  It should be debited as it increases the amount that the debtor owes.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">3</div>
<p><b>Calculate the final balance</b></p> <p>16 000 ✓ + 50 ✓ = 16 050 <input checked="" type="checkbox"/> <b>One part correct</b></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">3</div>

2.3 **MARANG SUPPLIERS (CL8)**

DATE		DETAILS	FOL	DEBIT	CREDIT	BALANCE
<b>2018</b>	<b>MAY</b>	<b>1</b>	<b>Account rendered (balance)</b>	<b>b/d</b>		<b>12 840</b>
		<b>6</b>	Invoice No XXX ✓	<b>CJ3</b>	6 840 ✓✓	<b>19 680</b>
		<b>14</b>	Debit Note No. XXX ✓	CAJ ✓	1 830 <input checked="" type="checkbox"/>	<b>17 850</b>
		<b>22</b>	<b>Cheque No. 2211</b>	<b>CPJ</b>	<b>7 500</b>	10 350 <input checked="" type="checkbox"/>
		<b>25</b>	Invoice No XXX ✓	CJ ✓	7 790 ✓✓	18 140 <input checked="" type="checkbox"/>

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**QUESTION 3**

**3.1 Calculating wages**

3.1.1

**Calculate Mona's net wages for the week**

Gross wage (40 x R78,50) + (12 x R117,50) 3 140 ✓✓	1 410 ✓✓	4 550,00	<input checked="" type="checkbox"/> *
Deductions		(1 433,60)	<input checked="" type="checkbox"/> *
PAYE 18% x 4 550		819,00	<input checked="" type="checkbox"/> *
Pension 8% of 3 140		251,20	<input checked="" type="checkbox"/> *
Medical aid		320,00	<input checked="" type="checkbox"/>
UIF 1% x 3 140		31,40	<input checked="" type="checkbox"/> *
Union fees		12,00	<input checked="" type="checkbox"/>
Net wages		3 116,40	<input checked="" type="checkbox"/> *

\* One part correct

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3.1.2

**Amount due to Medical Aid for the week ending:**

R320 ✓ + (320 x R1,20) = R704 ✓ **One part correct**  
384 ✓✓

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**CF PENSION FUND (B12)**

2018 Oct	31	Bank ✓	CPJ	565,20 <input checked="" type="checkbox"/>	2018 Oct	28	Wages ✓	WJ	251,20 <input checked="" type="checkbox"/>
						28	Pension Fund contribution ✓	WJ	314,00 ✓✓
				2 198,00					565,20 <input checked="" type="checkbox"/>

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**3.2 Analysing salary information**

3.2.1

**Calculate Piet's basic monthly salary in his first year of employment**

117 600 ✓/12 ✓ = R9 800  **One part correct**

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3.2.2 Calculate the total Sales amount for October 2017.

$4\,240 \checkmark \times 100 \checkmark / 4 \checkmark = 106\,000 \checkmark$  **One part correct**

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3.2.3 Total amount paid by the business with regards to Piet’s employment

$11\,160 \checkmark + 4\,240 \checkmark + 6\,200 \checkmark = 21\,600 \checkmark$  **One part correct**

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**QUESTION 4**

4.1

4.1.1	Drawings ✓
4.1.2	Debtors ✓
4.1.3	Non-current assets ✓
4.1.4	Current liability ✓
4.1.5	Capital ✓

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4.2 **GENERAL JOURNAL OF BEN TRADERS – 28 February 2019**  
(narrations are not necessary)

DETAILS	FOL	DEBIT	CREDIT
(i) Telephone ✓		1 820 ✓	
Accrued expenses ✓			1 820 ✓
(ii) Rent Income ✓		7 650 ✓ <input checked="" type="checkbox"/>	
Income received in advance ✓			7 650 <input checked="" type="checkbox"/>
99 450/13			
(iii) Prepaid expenses ✓		2 160 ✓ <input checked="" type="checkbox"/>	
Insurance ✓			2 160 ✓ <input checked="" type="checkbox"/>
3 240 x <sup>4</sup> / <sub>6</sub>			
(iv) Accrued Income ✓		7 200 ✓ <input checked="" type="checkbox"/>	
Interest on Fixed Deposit ✓			7 200 ✓ <input checked="" type="checkbox"/>
320 000 x 9% x 1/4			

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**4.3.1 Three main points to solve the stock problem**

1. Check gifts (stock) delivered to the shop – check to invoice
2. Regular stock counts – check to Trading stock account
3. Layout of gifts carefully designed e.g. smaller items near desk, secure valuable gifts
4. Security tags on gifts (stock)
5.  Store inspectors / security guards at doors – check to sales slip
6.  Background checks on employees ✓✓ ✓✓ ✓✓

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**4.3.2 Two main points to solve the petty cash problem**

1. Payments from petty cash need to be authorised
2. Petty cash vouchers should be completed and authorised
3. The petty cash box should be locked in the office safe
4. Proof of payments should be kept along with the original authorised voucher
5. Vouchers must be recorded in a Petty Cash Journal daily
6. The owner or manager should inspect vouchers and journal on a weekly basis ✓✓ ✓✓

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**4.4.1 Why you think it is necessary to have a Code of Ethics?**

Code of Ethics may include; Essential need to maintain the good name of the business and uphold moral and ethical values currently found in business practice ✓✓

**4.4.2 Outline THREE principles of ethical behaviour that you expect them to adhere to.**

- Professional behaviour- not doing anything that would reflect poorly on the business. ✓✓
- Confidentiality- not to reveal confidential information about the business or the clients of the business. ✓✓
- Integrity – Setting high standards/ honesty with clients and fellows workers etc. ✓✓

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**QUESTION 5**

5.1

<b>(a)</b>	10 925 – 9 500 = R1 425 ✓✓
<b>(b)</b>	142 800 x 15% = R21 420 ✓✓
<b>(c)</b>	140 676 x 15 ✓/115 ✓ = R18 349 <input checked="" type="checkbox"/> One part correct

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5.2 a **B. Lentswe (the local grocer) has set his till to charge VAT on all sales at 15%. Do you agree with this practice? Explain.**

Yes/No ✓

Any valid explanation ✓✓ including the ethical aspect ✓

It is unethical to charge VAT on all goods as some goods may be zero rated.

The business will be engaging in fraudulent activities as the business is merely an agent of SARS and VAT must be submitted to SARS.

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