



education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 10

ACCOUNTING P2 NOVEMBER 2024 MARKING GUIDELINES

MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guideline, penalties for foreign items are applied only if the candidate is not losing marks elsewhere in the question for that item (no penalty for misplaced item). No double penalty applied.
2. Penalties for placement or poor presentation (e.g. details) are applied only if the candidate is earning marks on the figures for that item.
3. Full marks for correct answer. If answer is incorrect, mark the workings provided.
4. If a pre-adjustment figure is shown as a final figure, allocate the part-mark for the working for that figure (not the method mark for the answer). Note: If figures are stipulated in the marking guidelines for components of workings, these do not carry the method mark for final answer as well.
5. Unless otherwise indicated, the positive or negative effect of any figure must be considered to award the mark. If no + or – sign or bracket is provided, assume that the figure is positive.
6. Where indicated, part-marks may be awarded to differentiate between differing qualities of answers from candidates.
7. Where penalties are applied, the marks for that section of the question cannot be a final negative.
8. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷, or per memo.
9. 'One part correct' means 'operation and one part correct'. Where method marks are awarded for one part correct, the marker must inspect the reasonableness of the answer and at least one part must be correct before awarding the mark. If a figure has earned a method mark, this will be regarded as 'one part correct'.
10. In calculations, do not award marks for workings if numerator and denominator are swapped – this also applies to ratios.
11. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part.
12. Be aware of some candidates who provide valid alternatives beyond the marking guidelines. Codes: f = foreign item; p = placement/presentation.

These marking guidelines consist of 7 pages.

QUESTION 1:

General Ledger of Uptown Traders
Balance sheet accounts
Debtors control account

2024 Oct	1	(98 650✓ + 2 000✓) Balance	b/d	(✓)100 650	2024 Oct	31	Bank & discount allowed	CRJ	✓277 480
	31	Sales	DJ	✓194 610			(1500✓ +350✓ -350✓) Debtors Allowance	DAJ	(✓)1 500
		(270✓ + 260✓) Journal debits	GJ	(✓)530			Journal credits	GJ	✓1 950
							Balance	c/d	(✓)14 860
				295 790	(✓) Both totals				295 790
Nov	1	Balance	b/d	(✓)14 860					

16

1.1.2

Debtors List as on 31 October 2024	
Mdiniso (2 760✓ – 350✓)	(✓)2 410
Twala (6 840✓ + 260✓)	(✓)7 100
Nel (1 440 ✓+ 1 950 ✓– 150✓)	(✓)3 240
Ally (2 190✓ – 1 950✓)	(✓)240
Vilakazi (3 830✓ – 980✓ – 980✓)	(✓)1 870
	(✓)14 860

18

1.1.3 Provide TWO reasons why it is important to do the Debtors reconciliation.

Accuracy of Financial information	Any two ✓✓ ✓✓
Prevention of fraud	Part marks for incomplete / partial answers
Detection of errors and omissions	
Regular reconciliation allows you to follow up on overdue accounts and manage your credit control process more efficiently.	
Reconciliation is part of a broader internal control system that helps safeguard assets and ensure the integrity of financial reporting.	
Preventing Bad Debts	

4

1.1.4 Apart from correction of error, what other transaction could appear as journal credits in the Debtors control account?

Bad debts ✓✓

2

1.1.5 The owner, Mr Dawson, is worried that the debtors are not paying on time. Describe THREE measures that he can put in place to ensure debtors pay on time.

Charge overdue debtors with interest ✓✓ Any relevant answers

Send out statements on a regular basis ✓✓

Employ someone to phone the debtors and remind them to pay their accounts ✓✓

6

1.2 Creditors control

General Ledger of TIM Traders
Balance sheet accounts
Creditors control account

2024 Sept	30	Sundry returns and allowances ✓	CAJ	✓1 505	2024 Sept	1	Balance	b/d	✓75 280
		Bank & discount received ✓	CPJ	✓59 880		30	Sundry purchases ✓	CJ	✓✓14 930
		Journal debits ✓	GJ	✓1 200			Journal credits ✓	GJ	✓85
		Balance	c/d	(✓)27 710					
				90 295					90 295
					Oct	1	Balance	b/d	(✓)27 710

14

Total marks

60

QUESTION 2: FIXED ASSETS

2.1.1 Describe the historical cost principle and its relevance to fixed assets, by giving an example of how this principle is applied.

Assets are always recorded at the original price even though the market value of the asset is more or less.
A vehicle bought for R200 000 will be recorded at R200 000 even though the market value of the vehicle is R180 000 ✓✓

2

2.1.2 What GAAP principle is applied when depreciation is written off on fixed assets?

Materiality ✓✓

2

2.1.3 List and explain two internal controls procedures that the owner of the business could implement in order to protect the fixed assets of the business.

Physical safeguard of the assets – lock the assets up
Install tracer devices to be able to see where the assets move ✓✓ ✓✓
Keep a logbook of everyone using the assets
Make sure only authorised use of assets happen Any two relevant answers
Part marks for incomplete / partial answers

4

2.2 Fixed assets note

2.2.1	1 300 000 ✓ - 450 000 ✓	850 000 (✓)
2.2.2		450 000 ✓
2.2.3	550 000 ✓ - 240 000 ✓	310 000 (✓)
2.2.4	700 000 ✓ - 550 000 ✓	150 000 (✓)
2.2.5	$550\ 000 \times 20\% = 110\ 000 \checkmark\checkmark$ $150\ 000(\checkmark) \times 20\% \times \frac{8}{12} \checkmark = 20\ 000(\checkmark)$ (see 2.2.4) 110 000 + 20 000	130 000(✓)
2.2.6	450 000 - 180 000	270 000 ✓✓

2.2.7 $270\,000 \times 10\% = 27\,000$ ✓✓ $18\,600$ ✓ $\times 10\% \times \frac{6}{12}$ ✓ = 930 (✓) $27\,000 + 930$	$27\,930$ (✓)	<div style="border: 1px solid black; padding: 2px; width: 40px; text-align: center;">24</div>
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Total marks
32

QUESTION 3**3.1 MANUFACTURING COST**

Number	Answer
3.1.1	C ✓
3.1.2	E ✓
3.1.3	B ✓
3.1.4	A ✓
3.1.5	D ✓

5

3.2 DAN SITHOLE**3.2.1 Calculate direct material cost per bench.**

500 ✓ + 20 ✓ + 50 ✓ = 570 (✓)	<div style="border: 1px solid black; padding: 2px; width: 40px; text-align: center;">4</div>
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3.2.2 Calculate total manufacturing overheads for October 2023.

$5\,000$ ✓ + $8\,000$ ✓ + $2\,500$ ✓ + 500 ✓ = $16\,000$ (✓)	<div style="border: 1px solid black; padding: 2px; width: 40px; text-align: center;">5</div>
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3.2.3 Calculate total production cost for October 2023 if 500 benches were produced.

$570 + 1\,000 = 1\,570$ ✓✓ $\times 500$ ✓ = $785\,000$ ✓ $\frac{16\,000}{801\,000}$ ✓ (✓)	<div style="border: 1px solid black; padding: 2px; width: 40px; text-align: center;">7</div>
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3.2.4 Calculate the unit cost of production.

$$801\,000 \checkmark \div 500 \checkmark = 1\,602 (\checkmark)$$

3

3.2.5 What is the percentage profit Dan earned per bench during October 2023, if the benches were sold at R2 500 each?

$$2\,500 \checkmark - 1\,602 \checkmark = 898 \checkmark$$

$$(898 \div 1602) \times 100 = 56\% (\checkmark)$$

4

3.2.6 Explain the difference between fixed and variable costs.

Fixed cost stays the same no matter how many units are produced ✓✓

Variable cost change in relation to the amount of units produced ✓✓

4

Total marks
32

QUESTION 4**4.1 CONCEPTS**

Number	Answer
4.1.1	Cash ✓
4.1.2	Capital ✓
4.1.3	Short ✓
4.1.4	Tax ✓
4.1.5	Surplus ✓

5

4.2 Briefly explain why it is important for a business to prepare a budget.

A budget helps predict future financial performance, allowing businesses to plan for revenue, expenses, and cash flow.

It provides a benchmark to compare actual performance against planned figures, helping identify deviations and manage finances effectively.

A budget helps management to access what its expected bank balance will be and to see if it is expected to have liquidity / cash flow problems. **Any one** ✓✓

2

4.3 What is the main purpose of a cash budget

Ensures that there is enough cash available to cover expenses and avoid shortages.

Helps in planning for future cash needs and making informed financial decisions.

Provides a basis for monitoring and controlling cash flow **Any one** ✓✓

2

4.4 Name TWO items which will not appear in a cash budget.

Bad debts **Any two** ✓✓

Depreciation

Discount received / allowed

2

4.5 TULANI STORES

Number	Calculation
4.5.1	$297\,000 \times 105\% = 311\,850$ ✓✓
4.5.2	$311\,850 + 15\,000 = 326\,850$ ✓✓
4.5.3	$64\,949 \div 107 \times 100 = 60\,700$ ✓
4.5.4	$22\,100 \times 105\% = 23\,205$ ✓✓
4.5.5	334 154 ✓✓
4.5.6	23 708 ✓
4.5.7	$-6\,755 + 23\,708 = 16\,953$ ✓✓

15

Total marks

26