



education

Department:
Education
REPUBLIC OF SOUTH AFRICA

GREENBURY SECONDARY SCHOOL

ACCOUNTING: GRADE 10

FIRST CONTROL TEST: 2017

EXAMINER : C. MAHARAJ

DURATION : 1 HOUR

MODERATOR : R. GOVENDER

MARKS: 100

INSTRUCTIONS TO LEARNERS:

1. This paper consists of 5 pages.
2. Answer ALL questions on the special answer booklet provided.
3. Show all workings so that part marks can be allocated.
4. You must attempt to comply with the suggested time allocations

Question 1: 15 Marks ; 9 Minutes

| The topic of this question is: | Content |
|--------------------------------|--|
| Informal Bookkeeping System | <ul style="list-style-type: none"> • Concepts • Determine cost of sales, selling price. profit |

Question 2: 30 Marks ; 18 Minutes

| | |
|--|---|
| Source Documents, Transaction Analysis | <ul style="list-style-type: none"> • Identify journal and source documents • Account debit and account credit |
|--|---|

Question 3: 30 Marks ; 18 Minutes

| | |
|------------------------------------|---|
| General Ledger Creditors Ledger | <ul style="list-style-type: none"> • Post to General Ledger accounts • Interpret and analyse creditors ledger |
|------------------------------------|---|

Question 4: 25 Marks; 15 minutes

| | |
|----------------------------------|--|
| General Journal GAAP Concepts | <ul style="list-style-type: none"> • Record transactions in the General journal • Explain the concepts |
|----------------------------------|--|

QUESTION ONE: INFORMAL BOOKKEEPING**(15 marks; 9minutes)****1. Read the case study below and answer the questions that follow.**

Stella recently became unemployed. She decided to use her hobby of making beaded jewellery into a small business at a local flea market that runs every Sunday. The cost of a table at the flea market is R 450 per day. She decided to employ, Thandi to help out at the stall as it is not always possible for her to be there. Stella pays Thandi R 300 per day. Stella has found a supplier that she buys the beads from at a very reasonable price. It cost her R 35 to make one necklace. She uses a mark-up of 100 %.

- 1.1. Give **one** reason why this is an informal business. (2)
- 1.2. Calculate the selling price of one necklace. (3)
- 1.3. Calculate the total income if she sold 90 necklaces for one Sunday. (3)
- 1.4. Calculate the profit Stella made for the day. (4)
- 1.5. The business has been running smoothly for six months. Thandi has decided to start making earrings. She plans to sell these for her own gain at Stella's stall without her knowledge. Is this the right thing for Thandi to do? Give a reason for your answer. (3)

QUESTION TWO: SOURCE DOCUMENTS AND TRANSACTION ANALYSIS**(30 marks; 18minutes)**

- 2.1. Identify the source documents and journal for each transaction. (10)
- 2.1.1. Paid service fees, cash deposit and cheque book fees.
- 2.1.2. Sold goods on credit.
- 2.1.3. Bought stationery and paid from petty cash.
- 2.1.4. Returned goods to the creditor.
- 2.1.5. The bank dishonoured a debtor's cheque.
- 2.2. Analyse the following transactions according to the columns provided on the answer book. (20)
- Assume Bank is unfavourable**
- 2.2.1. Issued a cheque to XY Suppliers a creditor for R 950. Discount received is 5 %.
- 2.2.2. Paid Speed Couriers by cheque for transportation of goods R 350.
- 2.2.3. Received interest on fixed deposit from New Bank, R 120.
- 2.2.4. Paid from petty cash for two reams of paper at R 35.50 per ream.

QUESTION THREE: GENERAL LEDGER AND CREDITORS LEDGER

- 3.1. The following information was extracted from the accounting records of Top Gear Traders during March 2017.

Goods sold at cost plus 100%.

Required :

Prepare the following accounts in the General Ledger of Top Gear Traders.

Accounts to be properly balanced or closed off.

- 3.1.1. Debtors Control (13)
- 3.1.2. Sales (5)
- 3.1.3. Give **two** reasons why a debtors cheque maybe returned by the bank marked ' R/D Cheque" (2)
- 3.1.4. Suggest **two** ways in which the business can ensure that debtors comply with credit terms. (2)

Information :

1. The following balances/totals were extracted from the list on 1 March 2017.

| | |
|-----------------|--------|
| Debtors control | 20 300 |
| Sales | 14 200 |

2. Extract from Journals on 31 March 2017.

Cash Receipts Journal:

| | |
|-------------------|--------|
| Bank | 90 000 |
| Sales | 26 700 |
| Cost of sales | 15 200 |
| Debtors control : | |
| Receipts | 18 100 |
| Discount allowed | 300 |
| Sundry accounts | ? |

Cash Payments Journal:

| | |
|--------------------|---------|
| Bank | 130 000 |
| Trading stock | 45 000 |
| Creditors control: | |
| Payments | 23 000 |
| Discount received | 250 |
| Debtors control | 1 500 |
| Sundry accounts | ? |

Debtors Journal:

| | |
|---------------|--------|
| Sales | ??? |
| Cost of sales | 10 200 |

Debtors Allowances Journal:

| | |
|--------------------|-----|
| Debtors allowances | 400 |
| Cost of sales | 150 |

Petty Cash Journal:

| | | | |
|------------|-----------------|------------|----------------|
| Petty cash | Debtors control | Stationery | Sundry account |
| 400 | 50 | 200 | 150 |

3.2. Creditors Ledger : (8)

Study the incomplete Creditor's Ledger Account of Funky Traders.

| Date | | Details | Fol | Debit | Credit | Balance |
|-------------|----|------------------|-----|--------|--------|---------|
| 2017 Feb | 1 | Balance | b/d | | | 20 800 |
| | 3 | Cheque no. 112 | A | 12 600 | | 8 200 |
| | 9 | Invoice No. x333 | CJ | | B | 13 000 |
| | 16 | C | CAJ | 700 | | 12 300 |
| | 27 | Interest | E | | D | 12 400 |

3.2.1 Provide the missing details / amounts labelled A/B/C/D/E (6)

3.2.2. Why did Funky Traders charge the business interest? (2)

QUESTION FOUR: GENERAL JOURNAL

(25 marks; 15 minutes)

4.1. Record the following transaction in the General Journal of Friends Outfitters for June 2017. (21)

NB: NARRATIONS ARE NOT REQUIRED.

Transactions for June 2017:

| | |
|----|--|
| 06 | Write of the account of a debtor, R. Ross as irrecoverable, R600. |
| 11 | Charged a debtor J.Joey interest on his overdue account for 8 months at 5 % p.a. The debtor owed the business R 360. |
| 19 | The owner M. Monica took goods for personal use, selling price R 1 200. Goods sold at cost plus 60 %. |
| 24 | Repairs was in error debited to land and building account, R 5 000. |

4.2. Explain the following GAAP concepts :

4.2.1. Business Entity (2)

4.2.2. Prudence Concept (2)



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| |
| 100 |

GREENBURY SECONDARY SCHOOL

FIRST CONTROL TEST: 2017

ACCOUNTING

ANSWER BOOK

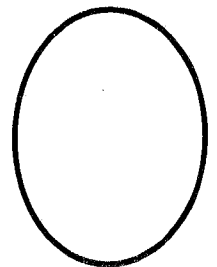
GRADE 10

NAME OF LEARNER: _____

GRADE: 10 _____

FOR EDUCATORS USE :

| QUESTION | MAX. | FINAL MARKS |
|----------|------|-------------|
| 1 | 15 | |
| 2 | 30 | |
| 3 | 30 | |
| 4 | 25 | |
| | 100 | |



ANSWER BOOK CONSIST OF 6 PAGES

| | |
|-----------|--|
| MODERATOR | |
| DATE | |

QUESTION ONE:

1.1. Give **one** reason why this is an informal business.

| |
|--|
| |
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| |
| 2 |

1.2. Calculate the selling price of one necklace.

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| |
| 3 |

1.3. Calculate the total income if she sold 90 necklaces for one Sunday.

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| |
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| |
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| |
| 3 |

1.4. Calculate the profit Stella made for the day.

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| |
| 4 |

1.5. The business has been running smoothly for six months. Thandi has decided to start making earrings. She plans to sell these for her own gain at Stella's stall without her knowledge. Is this the right thing for Thandi to do? Give a reason for your answer.

| |
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| |
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| |
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| |
| 3 |

| |
|--------------------|
| Total Marks |
| |
| 15 |

QUESTION TWO:

2.1.

| NO. | SOURCE DOCUMENT | JOURNAL |
|--------|-----------------|---------|
| 2.1.1. | | |
| 2.1.2. | | |
| 2.1.3. | | |
| 2.1.4. | | |
| 2.1.5. | | |

| |
|-----------|
| |
| 10 |

2.1.

| NO. | ACCOUNT DEBIT | ACCOUNT CREDIT | AMOUNT | A | O | L |
|--------|---------------|----------------|--------|---|---|---|
| 2.2.1. | | | | | | |
| | | | | | | |
| | | | | | | |
| 2.2.2. | | | | | | |
| | | | | | | |
| | | | | | | |
| 2.2.3. | | | | | | |
| | | | | | | |
| | | | | | | |
| 2.2.4. | | | | | | |
| | | | | | | |

| |
|-----------|
| |
| 20 |

| |
|--------------------|
| Total Marks |
| |
| 30 |

3.2.1

| | |
|---|--|
| A | |
| B | |
| C | |
| D | |
| E | |

| |
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| |
| 6 |

3.2.2. Why did Funky Traders charge the business interest

| |
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| |
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| |
| 2 |

| |
|--------------------|
| Total Marks |
| |
| 30 |



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| 100 |
| 100 |

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ACCOUNTING

ANSWER BOOK

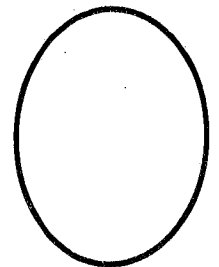
GRADE 10

NAME OF LEARNER: _____ *MEMORANDUM*

GRADE: 10 _____

FOR EDUCATORS USE :

| QUESTION | MAX. | FINAL MARKS |
|----------|------|-------------|
| 1 | 15 | 15 |
| 2 | 30 | 30 |
| 3 | 30 | 30 |
| 4 | 25 | 25 |
| | 100 | 100 |



ANSWER BOOK CONSIST OF 6 PAGES

| | |
|-----------|--|
| MODERATOR | |
| DATE | |

QUESTION ONE:

1.1. Give one reason why this is an informal business.

o NOT REGISTERED TO PAY TAXES ✓
 o NO FORMAL ACCOUNTING SYSTEM IN PLACE ✓

| |
|---|
| 2 |
| 2 |

1.2. Calculate the selling price of one necklace.

$\frac{35}{1} \times \frac{200}{100} = 70$

| |
|---|
| 3 |
| 3 |

1.3. Calculate the total income if she sold 90 necklaces for one Sunday.

$90 \times 70 = 6300$

| |
|---|
| 3 |
| 3 |

1.4. Calculate the profit Stella made for the day.

| | | | |
|----------------|-------|-------------------------|---------------|
| | 1000 | SALES (90 x 70) | 6300 |
| less: EXPENSES | (150) | COST OF SALES (90 x 35) | 3150 ✓ |
| RENT | (450) | GROSS PROFIT | 3150 ✓ |
| WAGES | (300) | LESS: EXPENSES | 750 ✓ |
| | | PROFIT | <u>2400</u> ✓ |

| |
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| 4 |
| 4 |

1.5. The business has been running smoothly for six months. Thandi has decided to start making earrings. She plans to sell these for her own gain at Stella's stall without her knowledge. Is this the right thing for Thandi to do? Give a reason for your answer.

No. ✓
 SHE NEEDS TO INFORM STELLA OF HER INTENTION. ✓✓

| |
|---|
| 3 |
| 3 |

| |
|--------------------|
| Total Marks |
| 15 |
| 15 |

QUESTION TWO:

2.1.

| NO. | SOURCE DOCUMENT | JOURNAL |
|--------|----------------------------------|---------|
| 2.1.1. | BANK STATEMENT ✓ | CPJ ✓ |
| 2.1.2. | DUPLICATE CREDIT SALES INVOICE ✓ | DJ ✓ |
| 2.1.3. | PETTY CASH VOUCHER ✓ | PCJ ✓ |
| 2.1.4. | DEBIT NOTE ✓ | CAJ ✓ |
| 2.1.5. | BANK DEBIT NOTE ✓ | CPJ ✓ |

| |
|----|
| 10 |
| 10 |

2.1.

| NO. | ACCOUNT DEBIT | ACCOUNT CREDIT | AMOUNT | A | O | L |
|--------|---------------------|-----------------------------|--------|-----|-----|-------|
| 2.2.1. | CREDITORS CONTROL ✓ | BANK ✓ | 950 | 0 | 0 | +30 ✓ |
| | CREDITORS CONTROL ✓ | DISCOUNT RECEIVED ✓ | 50 ✓ | 0 | + ✓ | - ✓ |
| 2.2.2. | TRADING STOCK ✓ | BANK ✓ | 850 | + ✓ | 0 | + ✓ |
| 2.2.3. | BANK ✓ | INTEREST OF FIXED DEPOSIT ✓ | 120 | 0 | + ✓ | - ✓ |
| 2.2.4. | STATIONERY ✓ | PETTY CASH ✓ | 71 ✓ | - ✓ | - | 0 |

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| 20 |
| 20 |

| |
|--------------------|
| Total Marks |
| 30 |
| 30 |

QUESTION THREE:

| | | | | DEBTORS CONTROL | | | | | | | | | |
|------|-------|----|------------|-----------------|--------|--------|-----|----|--------------------|---|--------|--------|---|
| 2017 | MAR | 1 | BALANCE | b/d | 20 300 | 2017 | MAR | 31 | BANK | ✓ | CRJ | 18 100 | ✓ |
| | | 31 | BANK | ✓ | CRJ | 1 500 | | | DISCOUNT ALLOWED | | CRJ | 300 | ✓ |
| | | | SALES | ✓ | DJ | 20 400 | | | DEBTORS ALLOWANCES | | DAS | 400 | ✓ |
| | | | PETTY CASH | ✓ | PCJ | 50 | | | BALANCE | | 4/d | 23 450 | ✓ |
| | | | | | 42 250 | | | | | | 42 250 | | |
| 2017 | APRIL | 1 | BALANCE | b/d | 23 450 | | | | | | | | |

| |
|----|
| 13 |
| 13 |

| | | | | SALES | | | | | | | | | |
|--|--|--|--|-------|--|------|-----|----|-----------------|---|-----|--------|---|
| | | | | | | 2017 | MAR | 1 | TOTALS | | b/d | 14 200 | ✓ |
| | | | | | | | | 31 | BANK | ✓ | CRJ | 26 700 | ✓ |
| | | | | | | | | | DEBTORS CONTROL | ✓ | DJ | 20 400 | ✓ |

| |
|---|
| 5 |
| 5 |

3.1.3. Give **two** reasons why a debtors cheque maybe returned by the bank marked 'R/D Cheque'

- CHEQUE IS STALE ✓
- SIGNATURE IRREGULAR ✓
- CHEQUE IS DAMAGED ✓
- CHEQUE IS POST DATED ✓
- AMOUNT IN WORDS + FIGURES DIFFER ✓

| |
|---|
| 2 |
| 2 |

3.1.4. Suggest **two** ways in which the business can ensure that debtors comply with credit terms. *Any 2*

- ALLOW FOR DISCOUNTS FOR EARLY PAYMENT ✓
 - CHARGE INTEREST ON OVERDUE ACCOUNTS ✓
 - SEND STATEMENT TIMELY ✓
- Any 2*

| |
|---|
| 2 |
| 2 |

3.2.1

| | | | |
|---|------------|----|---------------|
| A | CPI | ✓ | |
| B | 1800 | ✓ | 13000 - 8200 |
| C | DEBIT NOTE | ✓ | |
| D | 100 | ✓ | 12400 - 12300 |
| E | GJ | ✓✓ | |

| |
|---|
| 6 |
| 6 |

3.2.2. Why did Funky Traders charge the business interest

| |
|---------------------------------|
| BUSINESS ACCOUNT WAS OVERDUE ✓✓ |
| |

| |
|---|
| 2 |
| 2 |

| |
|--------------------|
| Total Marks |
| 30 |
| 30 |

QUESTION FOUR:

GENERAL JOURNAL OF FRIENDS OUTFITTERS - MARCH 2015

| Date | Details | Fol | Debit | Credit | Debtors control | |
|--------------|---------|-----|-------------------|--------|-----------------|--------|
| | | | | | Debit | Credit |
| 2017 JUNE | 6 | | BAD DEBTS ✓ | 600 ✓ | | |
| | | | R. ROSS ✓ | | 600 ✓ | 600 ✓✓ |
| | 11 | | J. JOEY ✓ | 12 ✓✓ | | 12 ✓ |
| | | | INTEREST INCOME ✓ | | 12 ✓ | |
| | 19 | | DRAWING ✓ | 750 ✓✓ | | |
| | | | TRADING STOCK ✓ | | 750 ✓ | |
| | 24 | | REPAIRS ✓ | 5000 ✓ | | |
| | | | LAND v BUILDING ✓ | | 5000 ✓ | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

21

21

4.2. Explain the following GAAP concepts :

4.2.1. Business Entity

THE FINANCIAL AFFAIRS OF THE OWNER + BUSINESS MUST
BE KEPT SEPARATE + DISTINCT. ✓✓

4.2.2. Prudence Concept

REPORTING IS DONE IN A CONSERVATIVE MANNER.

TAKE THE EXPECTED LOSS INTO ACCOUNT BUT NOT THE EXPECTED GAIN ✓✓

4

4

Total Marks

25

25



Sherry