



# education

Department of  
Education  
FREE STATE PROVINCE



## GRADE 10

## EXAMINATION



## ACCOUNTING

## JUNE 2023

**MARKS: 200**

**TIME: 2½ hours**

This question paper consists of 10 pages.

## INSTRUCTIONS AND INFORMATION

Read the following instructions carefully and follow them precisely.

1. Answer ALL questions.
2. A special ANSWER BOOK is provided in which to answer ALL questions.
3. Show ALL workings to earn part-marks.
4. You may use a non-programmable calculator.
5. You may use a dark pencil or blue/black ink to answer questions.
6. Where applicable, show ALL calculations to ONE decimal point.
7. If you choose to do so, you may use the Financial Indicator Formula Sheet attached at the end of this question paper. The use of this formula sheet is NOT compulsory.
8. Write neatly and legibly.
9. Use the information in the table below as a guide when answering the question paper. Try NOT to deviate from it.

QUESTION	TOPIC	MARKS	MINUTES
1	Journals	35	25
2	Accounting Equation	25	15
3	Debtors' reconciliations	30	20
4	Ledgers	50	45
5	Salaries journal	45	35
6	Adjustments	15	10
TOTAL		200	150

**QUESTION 1: CASH AND CREDIT JOURNALS**

**(35 marks, 25 minutes)**

**VUSIMANI STORES**

The following information was extracted from the records of Vusimani Stores for May 2023. The business maintains a mark-up percentage of 80% on cost.

**REQUIRED:**

- 1.1 Complete the Cash Receipts Journal for May 2023. (21)
- 1.2 Complete the Debtors Journal for May 2023. (8)
- 1.3 Complete the Debtors Allowance Journal for May 2023. (6)

**TRANSACTIONS FOR MAY 2023:**

- 1 The owner, Vusi Manini, deposited an additional R85 000 directly in the bank account of the business to increase his contributions.
- 2 A debtor, G. Gladys bought goods on credit for R5 940 (Invoice 131).
- 6 Received an EFT transfer from FFB Bank for R100 000. This was for a loan negotiated for the business.
- 7 G. Gladys returned goods of R324 to the business (C/N 12).
- 9 Issued EFT no. 334 for R11 111 to Pietie Stores for trading stock purchased.
- 10 Cash sales for the day amounted to R22 680 (CRR4).
- 15 Credit sales per invoice:
  - N. Nickey, R1 530
  - G. Gladys, R1 152
- 18 N. Nickey returned incorrect stock to Vusimani Stores, R135 (C/N 13).
- 21 Cash sales for the day amounts to R? Cost of sales R9 400.
- 26 The debtor G. Gladys settled her account per EFT and allowed R420 discount.
- 30 The bank statement received from FFB Bank, showed the following:
  - Bank charges, R495
  - Interest on credit balance R128
  - Debit order in favour of BT Insurers for the insurance on the owner's car, R365.



**QUESTION 2: GAAP AND ACCOUNTING EQUATION (25 marks; 15 minutes)**

**REQUIRED:**

2.1 Match the GAAP principle in COLUMN A with the correct explanation in COLUMN B. Write only the letter (A – E) next to the question number (2.1.1 – 2.1.4) in the ANSWER BOOK.

COLUMN A	COLUMN B
2.1.1 Business Entity	A Income and expenses incurred to generate that income are recorded in the same accounting period.
2.1.2 Historical Cost	B Financial statements are prepared conservatively.
2.1.3 Matching Principle	C Assets are recorded at their original cost.
2.1.4 Prudence	D The financial affairs of the business are kept separate from the financial affairs of the owner.
	E The concept based on the assumption that the business will continue to operate in the future.

(4)

**2.2 SHLABASLABA TRADERS**

The given information relates to Shlabaslaba Traders for 30 April 2023.

**REQUIRED:**

2.2.1 Show effects of the following transactions on the Accounting Equation. Assume that the bank account is always positive. (21)

**TRANSACTIONS:**

- (i) The business donated trading stock with a cost price of R1 350 to the local high school.
- (ii) Cash sales R1 200. Cost of Sales R900.
- (iii) Purchased goods on credit from Bismarck Suppliers, R5 670.
- (iv) K. Moshoke, a debtor, settled his account of R850 by EFT and received R40 discount.
- (v) Returned goods of R670 to Bismarck Suppliers.

**25**

### QUESTION 3: DEBTORS RECONCILIATION

(30 marks; 25 minutes)

#### BLOEM STORES

The following information was extracted from the accounting records of Bloem Stores for April 2023.

#### REQUIRED:

- 3.1 Calculate the correct balance for the Debtors Control Account for April 2023 by using " + " signs for an increase, a " - " for a decrease and "0" for no effect. (10)
- 3.2 Prepare the correct Debtors List for April 2023. (16)
- 3.3 Name TWO ways to encourage debtors to pay their accounts on time. (4)

#### INFORMATION:

##### A Balances of Bloem Stores on 30 April 2023:

Debtors Control Account	R39 590
-------------------------	---------

##### B

Debtors list on 30 April 2023:	R
A. Atkinson	13 580
G. Govender	5 600
M. Mogoro	9 670
T. Theron	12 450
	41 300

##### C The following errors and omissions were discovered:

- (i) The total of the sales column in the Debtors Journal was overstated by R3 600.
- (ii) An EFT received from A. Atkinson for R5 800 was recorded correctly in the journal and General ledger but was not posted to his personal account.
- (iii) The total of the Debtors allowances journal was understated by R490.
- (iv) G. Govender's account must be written off as bad debts.
- (v) T. Theron returned goods to the value of R1 650 but the bookkeeper incorrectly treated this as credit sale and posted it as such.
- (vi) Goods were sold on credit to M. Mogoro for R6 300. This was entered in the journal and his account as R3 600.
- (vii) T. Theron purchased R1 580 goods by the business. No entries were done.

# QUESTION 4: LEDGER ACCOUNTS, INTERNAL CONTROL

(50 marks; 45 minutes)

## REQUIRED:

4.1 Prepare the following General Ledger accounts in the books of Langehoven Traders and balance the accounts properly on 31 May 2023:

4.1.1 Bank (5)

4.1.2 Debtors control (10)

4.1.3 Trading stock (10)

4.1.4 Creditors control (8)

4.2 Answer the following questions:

4.2.1 Calculate the mark-up percentage maintained by the business. Use the figures of the Cash Receipts Journal. (3)

4.2.2 Explain the concept of 'division of duties' as an important internal control method. (2)

4.2.3 List ONE transaction that must be recorded on the debit side and ONE transaction on the credit side of the Debtors Control ledger account, posted from the General Journal. It must be TWO different transactions. (4)

4.2.4 The debtors settled their debt in 30 days. Calculate the percentage discount which the debtors received at the end of May 2023. (3)

4.2.5 The business changed their supplier of trading stock during May 2023. Provide a reason and a figure why it was not a good decision. (3)

4.2.6 How can the owner verify that the closing balance of the creditors control account is correct? (2)

## INFORMATION

The following information appeared in the books of Langehoven Traders for May 2023.

### Balances on 1 May 2023:

	R
Bank	33 200 (Dr)
Debtors control	70 000
Trading stock	88 945
Creditors control	62 000



### CASH RECEIPTS JOURNAL

Bank	R174 000
Sales	90 000
Cost of sales	60 000
Debtors control – Receipts	63 000
Discount allowed	7 000
Sundry accounts	21 000

### CREDITORS JOURNAL

Creditors control	98 000
Trading stock	60 000
Stationery	15 500
Sundry accounts	22 500

### DEBTORS JOURNAL

Sales	72 900
Cost of sales	48 600

### PETTY CASH JOURNAL

Petty cash	1 400
Trading stock	1 200
Stationery	105
Debtors control	95

### CASH PAYMENTS JOURNAL

Bank	R178 200
Trading stock	81 000
Stationery	15 000
Creditors control – Payments	45 500
Discount received	4 550
Sundry accounts	36 700

### CREDITORS ALLOWANCES JOURNAL

Creditors control	31 000
Trading stock	30 000
Stationery	600
Sundry accounts	400

### DEBTORS ALLOWANCES JOURNAL

Debtor's allowances	3 150
Cost of sales	2 000

### GENERAL JOURNAL

Debtors control	(Dr)	755
Debtors control	(Cr)	125

50

## QUESTION 5: CONCEPTS, SALARIES JOURNAL AND INTERNAL CONTROL

(45 marks; 35 minutes)

5.1 Indicate whether the following statements are TRUE or FALSE. Write only 'true' or 'false' next to the question number (5.1.1–5.1.4) in the ANSWER BOOK.

5.1.1 Wages are paid weekly.

5.1.2 Salaries are paid monthly per EFT.

5.1.3 UIF is only paid by the employees.

5.1.4 Only the employers pay a 2% skills development levy.

(4)

**5.2 INTERNAL CONTROL: MASANGO STORES**

Nosi Masango, the bookkeeper, issues invoices, credit notes, and collects cash from debtors and deposit the money in the bank.

5.2.1 Identify what is wrong with the job description of Nosi. (2)

5.2.2 Name TWO internal control measures that needs to be addressed regarding Nosi's job description. (4)

5.3 The following information appeared in the books of Masango Stores for May 2023.

**REQUIRED:**

5.3.1 Complete the Salaries journal for May 2023. (35)

**INFORMATION**

Masango Stores employed two people at the business. The details are as follows:

Employee	Gross salary	PAYE	Medical Aid	Pension fund	UIF
M. Seevnarain	R16 500 per month	24 % of gross	R1 450	8%	1%
T. Hall	R180 000 per annum	R3 300 per month	R1 950	8%	?%

**The employer's contribution is as follows:**

- (i) Contributes R2 for every R1 that the employee pays to medical aid.
- (ii) Contributes 12% of the gross salary to the pension fund.
- (iii) Contributes 1% of gross salary to the UIF.
- (iv) Contributes 1% of gross salary to the Skills development Levy.



**QUESTION 6: GENERAL JOURNAL**

**(15 marks; 10 minutes)**

**RETHA TRADERS**

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

**REQUIRED:**

6.1 Journalise the following adjustments on 28 February 2023. (15)

**INFORMATION**

**Adjustments:**

- (i) The debtor, C. Callie owed the business R1 200. Charge the account with 12% interest for 3 months.
- (ii) The roof of the building has been repaired at a cost of R25 500. The amount was posted to land and buildings account in error.
- (iii) The following extract from the pre-adjustment trial balance:

Balance sheet accounts section	Debit	Credit
Vehicles	300 000	
Equipment	75 000	
Accumulated depreciation on vehicle		30 000
Accumulated depreciation on equipment		45 000

Calculate depreciation as follows:

- Vehicles at 15% p.a. on the cost price method.
  - Equipment at 10% p.a. on the diminishing balance method.
1. The owner took stock to the value of R3 350 for personal use. This was not recorded.

The debtor, P. Pieterse owned the business R900. Charge his outstanding account with 12% interest p.a for 3 months.

**TOTAL: 200**



GRADE 10 ACCOUNTING FINANCIAL INDICATOR FORMULA SHEET		
$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$	$\frac{\text{Net profit before tax}}{\text{Sales}} \times \frac{100}{1}$
$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$	$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$	
Current assets : Current liabilities	(Current assets – Inventories) : Current liabilities	
(Trade and other receivables + Cash and cash equivalents) : Current liabilities		
$\frac{\text{Net profit}}{\text{Average Owner's equity}} \times \frac{100}{1}$	Total assets : Total liabilities	





# education

Department of  
Education  
FREE STATE PROVINCE

SCHOOL: \_\_\_\_\_

SURNAME: \_\_\_\_\_

NAME: \_\_\_\_\_



## ACCOUNTING ANSWER BOOK GRADE 10 – JUNE 2023

QUESTION	MARKS	TEACHER	MOD.
1			
2			
3			
4			
5			
6			
TOTAL			

This answer book consists of 10 pages

Stanmorephysics.com

Debitors control		Sundry accounts	
Discount allowed	Amount	Fol	Detail

Starimorephysics.com

1.2

DEBTORS JOURNAL OF VUSIMANI STORES MAY 2023					DJ-5
Doc No	Day	Debtor	Fol	Sales	Cost of sales

8

1.3

DEBTORS ALLOWANCES JOURNAL OF VUSIMANI STORES - MAY 2023					DAJ-5
Doc No	Day	Debtor	Fol	Sales	Cost of sales

6

TOTAL MARKS

35



## QUESTION 2

- 2.1 Match the GAAP principle in COLUMN A with the correct explanation in COLUMN B. Write only the letter (A – E) next to the question number (2.1.1 – 2.1.4) in the ANSWER BOOK.

COLUMN A	COLUMN B	
2.1.1		
2.1.2		
2.1.3		
2.1.4		

4

- 2.2 Show effects of the following transactions on the Accounting Equation.

No	Account debited	Account credited	Accounting Equation		
			Assets	Owner's Equity	Liabilities
(i)		Trading Stock	- 1 350		
(ii)	Bank				
(iii)	Trading Stock				
(iv)	Bank	Debtors control			
(v)		Trading Stock			

21

TOTAL MARKS

25

### QUESTION 3

3.1

#### DEBTORS RECONCILIATION

DETAILS		DEBTORS CONTROL
Balance		39 590
(i)		
(ii)		
(iii)		
(iv)		
(v)		
(vi)		
(vii)		

10

3.2

#### DEBTORS LIST ON 30 APRIL 2023:

DEBTORS	AMOUNTS
A. Atkinson	
G. Govender	
M. Mogoro	
T. Theron	

16

3.3

Name TWO ways in which you can encourage debtors to pay their accounts on time.

4

TOTAL MARKS

30

QUESTION 4

GENERAL LEDGER OF LANGEHOVEN TRADERS  
BANK


5

DEBTORS CONTROL


10

TRADING STOCK


10

CREDITORS CONTROL


8



- 4.2.1 Calculate the mark-up percentage maintained by the business. Use the figures of the Cash Receipts Journal.

3

- 4.2.2 Explain the concept of 'division of duties' is an important internal control method.

2

- 4.2.3 List ONE transaction that must be recorded on the debit side and ONE transaction on the credit side of the Debtors Control ledger account, posted from the General Journal. It must be TWO different transactions.

Debit side

Credit side

4

- 4.2.4 The debtors settled their debt in 30 days. Calculate the percentage discount which the debtors received at the end of May 2023.

3

- 4.2.5 The business changed their supplier of trading stock during May 2023. Provide a reason and a figure why it was not a good decision.

3

4.2.6 How can the owner verify that the closing balance of the creditors control account is correct?

2

TOTAL MARKS

50

QUESTION 5

5.1 Indicate whether the following statements are TRUE or FALSE. Write only 'true' or 'false' next to the question number (5.1.1–5.1.4) in the ANSWER BOOK.

5.1.1	
5.1.2	
5.1.3	
5.1.4	

4

5.2.1 Identify what is wrong with the job description of Nosi Masango?

2

5.2.2 Name TWO internal control measures that need to be addressed regarding Nosi's job description.

4

**SALARIES JOURNAL OF MASANGO STORES FOR MAY 2023**

**SJ 5**

Employees	Gross salaries	Deductions						EFT number
		PAYE	Medical aid	Pension	UIF	Total deductions	Nett salary	
M. Seevnarain								222
T.Hall								223

Employees	Employer's contribution				Total Contribution
	Medical aid	Pension	UIF	Skill levy	
M. Seevnarain					
T.Hall					

35

TOTAL MARKS
45



**QUESTION 6**

**GENERAL JOURNAL OF RETHA TRADERS – 28 FEBRUARY 2023**

J/V	Day	Details	Fol	Debit	Credit	Debtors control	
						Debit	Credit
	28	C. Callie					
		Interest on overdue debtors					
		Charges interest					

TOTAL MARKS
15



# education

Department of  
Education  
FREE STATE PROVINCE

## GRADE 10 - EXAMINATION

## ACCOUNTING - JUNE 2023

Stanmorephysics.com

**MARKS: 200**

### MARKING PRINCIPLES:

1. Unless otherwise stated in the marking guidelines, 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. Unless otherwise stated, give full marks for correct answer. If answer is incorrect, mark workings.
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 memo 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. If candidates provide more than the required number of responses, inspect all responses to give benefit to the candidate. Penalties may be applied for foreign entries if candidates earn full marks on a question (max -2 per Q).
8. This memorandum is not for public distribution; as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions.
9. Where penalties are applied, the marks for that section of the question cannot be a final negative.
10. Where method marks are awarded for operation, marker must inspect reasonableness of answer.
11. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: check operation must be +, -, x, ÷, or per memo.
12. In calculations, do not award marks for workings if numerator & denominator are swapped – this also applies to ratios.
13. In awarding method marks, ensure that candidates do not get full marks for any item that is incorrect at least in part. Indicate with a ☒.
14. Be aware of candidates who provide valid alternatives beyond the marking guideline. Note that one comment could contain different aspects.
15. Codes: f = foreign item; p = placement/presentation.

This marking guideline consists of 10 pages.

## QUESTION 1

Stanmorephysics.com

1.1 CASH RECEIPTS JOURNAL OF VUSIMANI STORES – MAY 2023										CRJ5		
Doc No	Day	Details	Fol	Analysis of receipts	Bank	Sales	Cost of sales	Debtors control		Sundry accounts		
								Receipts	Discount allowed	Amount	Fol	Details
B/S	1	Vusi Manini			85 000 ✓					85 000✓		Capital ✓
EFT	6	FFB Bank			100 000 ✓					100 000✓		Loan: FFB Bank✓
CRR4	10	Sales		22 680✓	22 680✓	22 680✓	12 600✓					
CRR5	21	Sales		16 920☑* *same as sales	16 920✓	16 920✓	9 400✓					
EFT	26	G. Gladys			6 348 ☑ Same as receipts			6 348✓	420 ✓			
B/S	30	FFB Bank			128 ✓					128✓		Interest on current account✓
					231 076☑							

1.2

DEBTORS JOURNAL OF VUSIMANI STORES - MAY 2023					DJ5
Doc No	Day	Debtor	Fol	Sales	Cost of sales
131	2	G. Gladys		5 940✓	3 300✓
132	15	N. Nickey		1 530✓	850✓
133	15	G. Gladys		1 152✓	640✓
				8 622 ✓*	4 790✓*
				One part correct	Operation adding

8

1.3

DEBTORS ALLOWANCES JOURNAL OF VUSIMANI STORES - MAY 2023					DAJ5
Doc No	Day	Debtor	Fol	Debtors' allowances	Cost of sales
12	7	G. Gladys		324✓	180✓
13	18	N. Nickey		135✓	75✓
				459✓	255✓
				One part correct	Operation adding

6

TOTAL MARKS

35



QUESTION 2

- 2.1 Match the GAAP principle in COLUMN A with the correct explanation in COLUMN B. Write only the letter (A – E) next to the question number (2.1.1 – 2.1.4) in the ANSWER BOOK.

COLUMN A	COLUMN B
2.1.1	D ✓
2.1.2	C ✓
2.1.3	A ✓
2.1.4	B ✓

4

- 2.2 Show effects of the following transactions on the Accounting Equation.

No	Account debited	Account credited	Accounting Equation		
			Assets	Owner's Equity	Liabilities
(i)	Donations✓	Trading Stock	- 1 350	-1 350✓	0
(ii)	Bank	Sales✓	+1 200✓	+1 200✓	0
	Cost of Sales✓	Trading Stock✓	- 900✓	- 900✓	0
(iii)	Trading Stock	Creditors Control✓	+5 670✓	0	+5 670✓
(iv)	Bank	Debtors Control	+810✓ - 810✓ = #0	0	0
	Discount Allowed✓	Debtors Control✓	-40✓	-40✓	0
(v)	Creditors Control✓	Trading Stock	-670✓	0	-670✓

Accept # 0 if R810 doesn't appear in other column

21

TOTAL MARKS

25

QUESTION 3

3.1

DEBTORS RECONCILIATION

DETAILS		DEBTORS CONTROL
Balance		39 590
(i)		- 3 600 ✓
(ii)		0 ✓
(iii)		- 490 ✓
(iv)		- 5 600 ✓
(v)	-1 650 one mark - 1 650 one mark	- 3 300 ✓✓
(vi)	-3 600 + 6 300	+ 2 700 ✓✓
(vii)		+1 580 ✓
One part correct		30 880 ✓

10

3.2

DEBTORS LIST ON 30 APRIL 2023

DEBTORS	AMOUNTS
A. Atkinson (13 580✓ - 5 800✓)	7 780 ✓
G. Govender (5 600✓ - 5 600✓)	0 ✓
-3 600 one mark + 6 300 one mark	12 370 ✓
M. Mogoro (9 670✓ + 2 700✓✓)	
T. Theron (12 450✓ - 1 650✓ - 1 650✓ + 1 580✓)	10 730 ✓
-3 300 two marks	
	30 880 ✓

16

3.3

Name TWO ways in which you can encourage debtors to pay their accounts on time.

Any TWO valid points ✓✓ ✓✓

- Offer discount for prompt payment.
- Charge overdue accounts with interest.
- Sent statements regularly.
- Contact debtor by phone, e-mail, WhatsApp/ Send reminders.

4

TOTAL MARKS

30

QUESTION 4

GENERAL LEDGER OF LANGEHOVEN TRADERS  
BANK

2023 May	1	Balance	b/d	33 200✓	2023 May	31	Sundry accounts	CPJ	178 200✓
		Sundry accounts	CRJ	174 000✓			Total payments		
		Total receipts					Balance	c/d	29 000✓
				207 200					207 200✓
2023 Jun	1	Balance	b/d	29 000					

Presentation -1 max -2

5

DEBTORS CONTROL

2023 May	1	Balance	b/d	70 000✓	2023 May	31	*Bank	CRJ	63 000✓
	31	Sales	DJ	72 900✓			*Discount allowed	CRJ	7 000✓
		Petty cash	PCJ	95✓			Debtors' allowances	DAJ	3 150✓
		Sundry accounts/ Journal debits		755✓			Sundry accounts/ Journal credits	GJ	125✓
							Balance	c/d	70 475✓
				143 750✓					143 750
2023 Jun	1	Balance	b/d	70 475			* Bank and discount	70 000	

Presentation -1 max -2

10

TRADING STOCK

2023 May	1	Balance	b/d	88 945✓	2023 May	31	Cost of Sales	CRJ	60 000✓
	31	Bank	CPJ	81 000✓			Creditors control	CAJ	30 000✓
		Creditors control	CJ	60 000✓			Cost of Sales	DJ	48 600✓
		Cost of Sales	DAJ	2 000✓			Balance	c/d	94 545✓
		Petty cash	PCJ	1 200✓					
				233 145✓					233 145
2023 Jun	1	Balance	b/d	94 545					

Presentation -1 max -2

10

CREDITORS CONTROL

2023 May	31	Bank	CPJ	45 500✓	2023 May	1	Balance	b/d	62 000✓
		Discount received	CPJ	4 550✓		31	Sundry accounts/ Total purchases	CJ	98 000✓
		Sundry accounts/ Total returns#	CAJ	31 000✓					
		Balance	c/d	78 950✓					
				160 000					160 000✓
		* Bank and discount	50 050		2023 Jun	1	Balance	b/d	78 950

Presentation -1 max -2

8



4.2.1 Calculate the mark-up percentage maintained by the business. Use the figures of the Cash Receipts Journal.

90 000 – 60 000

$30\,000 \checkmark / 60\,000 \checkmark \times 100/1 = 50\% \checkmark$  operation one part correct

3

4.2.2 Explain the concept of 'division of duties' is an important internal control method.

Any acceptable explanation ✓✓

Workers must divide the work between themselves.  
 Check each other work.

2

4.2.3 List ONE transaction that must be recorded on the debit side and ONE transaction on the credit side of the Debtors Control ledger account, posted from the General Journal. It must be TWO different transactions.

Debit side Any ONE transaction ✓✓

Charge with interest

Rectify an error

Transfer a debtor with a credit balance to his account in the creditor's ledger

Transfer a creditor with a debit balance to his account in the debtor's ledger

Credit side Any ONE transaction ✓✓

Writing off accounts as bad debts

Rectify an error

Transfer a debtor with a debit balance to his account in the creditor's ledger

Transfer a creditor with a credit balance to his account in the debtor's ledger

Rectify of error only 1 mark on debit side and 1 mark on credit side – max 2 marks.

4

4.2.4 The debtors settled their debt in 30 days. Calculate the percentage discount which the debtors received at the end of May 2023.

$7\,000 \checkmark / 70\,000 \checkmark \times 100 = 10\% \checkmark$  one part correct

3

4.2.5 The business changed their supplier of trading stock during May 2023. Provide a reason and a figure why it was not a good decision.

Any ONE reason ✓✓ Figures ✓

Bought trading stock for R60 000 and returned R30 000 to the supplier.

Returned 50% of the trading stock to the supplier.

3



4.2.6 How can the owner verify that the closing balance of the creditors control account is correct?

Control it against the creditors' list on the creditor's ledger ✓✓

2

TOTAL MARKS

50

## QUESTION 5

5.1 Indicate whether the following statements are TRUE or FALSE. Write only 'true' or 'false' next to the question number (5.1.1–5.1.4) in the ANSWER BOOK.

5.1.1	True ✓
5.1.2	True ✓
5.1.3	False ✓
5.1.4	False ✓

4

5.2.1 Identify what is wrong with the job description of Nosi Masango?

Any ONE answer ✓✓

Lack of internal control ✓✓

Nobody is checking Nosi's work. No division of duties

Nosi is performing too many duties.

2

5.2.2 Name TWO internal control measures that needs to be addressed regarding Nosi's job description.

Any TWO explanation: Part-mark for unclear / incomplete explanation ✓✓ ✓✓

Division of duties / The person receiving the money should be different from the one depositing it.

A senior staff member to supervise Nosi.

A senior staff member must authorise transactions e.g. EFT payments.

Effective management of proper internal control.

4

**SALARIES JOURNAL OF MASANGO STORES FOR MAY 2023**

**SJ 5**

Employees	Gross salaries	Deductions						EFT number
		PAYE	Medical aid	Pension	UIF	Total deductions	Nett salary	
M. Seevnarain	16 500✓	3 960✓✓	1 450✓	1 320✓✓	165✓✓	6 895 ✓	9 605 ✓	222
T.Hall	15 000✓✓	3 300✓	1 950✓	1 200✓✓	150✓✓*	6 600 ✓	8 400 ✓	223
	31 500✓				Accept 124,78 for both workers	13 495✓	18 005✓	

\*✓ if 1% of gross

Employees	Employer's contribution				Total Contribution
	Medical aid	Pension	UIF	Skill levy	
M. Seevnarain	2 900✓#	1 980✓✓	165✓ See deduction	165✓	5 210 ✓
T.Hall	3 900✓#	1 800✓@	150✓& See deduction	150✓^	6 000 ✓
			Accept 124,78 for both workers		11 210 ✓

✓# if double the amount of workers    ✓@ if 12% of gross    if same as worker ✓&    ✓^ is same as UIF

35

**TOTAL MARKS**

45

# QUESTION 6

## GENERAL JOURNAL OF RETHA TRADERS – 28 FEBRUARY 2023

J/V	Day	Details	Fol	Debit	Credit	Debtors control	
						Debit	Credit
	28	C. Callie		36✓		36✓	
		Interest on overdue debtors			36✓	If the same	
		Charges interest					
		Repairs	✓	25 000✓			
		Land and building	✓		25 000✓		
		Rectify the error					
		Depreciation	✓	48 000 ✓			
		Accumulated depreciation on vehicles	✓		45 000✓✓		
		Accumulated depreciation on equipment	✓		3 000 ✓✓		
		Depreciation for the year provided.					
		Can split in two adjustments					

TOTAL MARKS

15