



GAUTENG PROVINCE
EDUCATION
REPUBLIC OF SOUTH AFRICA



ACCOUNTING GRADE 10

CONTROLLED TEST

TERM 3

SEPTEMBER 2022

QUESTION	TOPIC	MARKS	TIME ALLOCATED
1	Concepts and Statement of Comprehensive Income	50	45 minutes
2	Notes to the financial statements and Statement of Financial Position	50	45 minutes
	Total	100	90 minutes

This question paper consists of 6 pages

QUESTION 1: CONCEPTS AND STATEMENT OF COMPREHENSIVE INCOME

(50 marks; 45 minutes)

1.1 CONCEPTS

Match the description in column A to the concept in column B. Write only the letter (A–E) next to the question number (1.1.1. – 1.1.5) in the ANSWER BOOK. (5)

COLUMN A		COLUMN B	
1.1.1	Original amount of money invested, before interest was added.	A	Balance Sheet
1.1.2	Remaining cost of an asset that still needs to be depreciated in future financial years.	B	Financial year
1.1.3	The financial statements of a business are done with the assumption that the business will continue to operate in future.	C	Going concern
1.1.4	A statement that reflects the financial position of the business.	D	Capital amount
1.1.5	Length of time equal to twelve consecutive months over which financial accounts are kept and reported on.	E	Carrying value

1.2 STATEMENT OF COMPREHENSIVE INCOME

MOTSEPE VACUUM CLEANERS

John Motsepe, is the owner of Motsepe Vacuum Cleaners. The business buys and sell vacuum cleaners and service vacuum cleaners at a fixed fee. The financial year of the business ends on 31 December each year.

REQUIRED:

- 1.2 Complete the Income Statement (Statement of Comprehensive Income) for the year ended 31 December 2021. (45)

INFORMATION:

- A. Extract from the Pre-Adjustment Trial Balance of Motsepe Vacuum Cleaners for the year ended 31 December 2021.**

	Debit	Credit
Land and buildings	980 000	
Vehicles	740 000	
Equipment	320 000	
Accumulated Depreciation on Vehicle (1 January 2021)		148 000
Accumulated Depreciation on Equipment (1 January 2021)		58 200
Trading stock	480 200	
Debtor's control	56 200	
Loan: RSA Bank		?
Fixed Deposit: Perm Bank (7% p.a.)	70 000	
Rent expense	92 800	
Interest on current account		580
Fee income		124 500
Salaries and wages	345 600	
Stationery	21 700	
Rates and taxes	32 500	
Advertising	18 400	
Bad debts	9 200	
Interest on fixed deposit		3 675
Bank charges	4 200	

B. ADDITIONAL INFORMATION AND ADJUSTMENTS:

1. According to the physical stock taking, trading stock of R480 640 was on hand on 31 December 2021.
2. Stationery used during the financial year amounted to R20 400.
3. The fixed deposit at Perm Bank was invested on 30 November 2020. Provide for outstanding interest. Interest is not capitalized.
4. The rates and taxes account for December 2021 was received but not paid, R1 800.
5. A debtor, K. Fouche who owes the business R3 800 has been declared insolvent. The insolvent estate paid out 40 cents for each rand he owes. Write off the rest as irrecoverable.
6. A vacuum cleaner has been serviced for R1 400 for M Molefe on 28 December 2021, however, M Molefe will only pay on 4 January 2022.

7. Advertising include R7 200, this amount is for an advertisement placed in the local newspaper for the period 1 April 2021 to 31 March 2022.
8. The following entries appeared in the December 2021 bank statement but were not recorded in the books of the business:
- Cash handling fees, R450
 - Interest on favourable bank balance, R120
9. Depreciation for the year amounted to R108 200
10. One worker was omitted from the Salaries Journal for December 2021:
- Net salary R18 000
 - Deductions R7 200
 - Employer's contribution R2 400
 - Gross salary ?
- Employer's contribution is included in the Salaries Account.
11. The loan statement from RSA Bank on 31 December 2021 reflects the following:
- | | |
|------------------------------------------------------|---------|
| Balance on 1 January 2021 | 350 000 |
| Total repayment during the year (including interest) | 56 000 |
| Balance on 31 December 2021 | 310 000 |
- The interest for the year is capitalised.
12. Rent has been paid for 11 months. According to the lease agreement, the rent will increase annually on 1 August with 15%.

QUESTION 2

NOTES TO THE FINANCIAL STATEMENTS AND STATEMENT OF FINANCIAL POSITION (50 marks; 45 minutes)

HILLSIDE STORES

Mary Petersen is the owner of Hillside Stores. The business buys and sells sport clothing for cash and on credit. Their financial year ended on 30 June 2022.

REQUIRED:

- 2.1 Prepare the notes to the financial statements for the year ended 30 June 2022:
 - 2.1.1 Owners' equity (7)
 - 2.1.2 Inventories (3)
 - 2.1.3 Fixed/Tangible assets (17)
- 2.2 Prepare the Statement of Financial Position (Balance Sheet) for 30 June 2022. (23)

INFORMATION:

A. Extracted Post-Closing Trial Balance of Hillside Stores as at 30 June 2022.

Balance Sheet Accounts Section	Debit	Credit
Capital (30 June 2022)		1 456 200
Land and buildings	1250 000	
Vehicles	?	
Equipment	?	
Accumulated Depreciation on Vehicle		?
Accumulated Depreciation on Equipment		?
Trading stock	254 800	
Bank		45 600
Cash float	6 000	
Petty cash	3 000	
Fixed Deposit: Gauteng Bank	125 000	
Loan: RSA Bank		854 200
Consumable stores on hand	3 200	

B. ADDITIONAL INFORMATION AND ADJUSTMENTS:

(I) Owners' Equity

- The net profit for the year ending 30 June 2022 amounted to R89 200.
- The owner increased her capital contribution during the year with R50 000. This transaction was properly recorded.
- The owner took cash and stock for personal use during the year for R24 300.

(II) The owner took R 2 500 for personal use through EFT on 30 June 2022. The bookkeeper forgot to record the transaction in the books of the business but only adjusted the capital balance on the post-closing trial balance.

(III) Portion of the funds invested in the Fixed deposit Account will mature on 30 September 2022, R45 000.

(IV) The business will pay R67 200 in the next financial to RSA Bank on the loan. This amount excludes interest.

(V) Fixed/Tangible Assets

- The business built an extra storeroom for R80 000 and maintenance to the premise for R40 000 during March 2022. The transactions were properly recorded.
- A new vehicle was purchased on 1 October 2021 for R340 000 and properly recorded. Depreciation is calculated on vehicles at 15% per annum on the straight-line method.
- No equipment was purchased during the financial year. Depreciation is calculated on equipment at 10% per annum on the diminishing balance method.

50

TOTAL MARKS: 100



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ACCOUNTING GRADE 10

TERM 3

CONTROL TEST

SEPTEMBER 2022

ANSWER BOOK

NAME OF LEARNER	
SCHOOL	
DATE	

QUESTION	TOPIC	MARKS	LEARNER'S MARKS	MODERATED MARKS
1	Concepts and Statement of Comprehensive Income	50		
2	Notes to the financial statements and Statement of Financial Position	50		
	Total	100		

This answer book consists of 6 pages.

QUESTION 1: CONCEPTS AND STATEMENT OF COMPREHENSIVE INCOME

1.1 CONCEPTS

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5



1.2 STATEMENT OF COMPREHENSIVE INCOME

MOTSEPE VACUUM CLEANERS

STATEMENT OF COMPREHENSIVE INCOME OF FOR THE YEAR ENDED 30 JUNE 2021

Sales		3 240 000
Cost of Sales		(2 160 000)
Gross Profit		1 080 000
Other Operating Income		
Discount received		9 200
Gross Operating Income		
Operating Expenses		
Discount allowed		3 400
Repairs		234 300
Packing material		1 460
Sundry expenses		128 200
Water and electricity		63 200
Operating Profit		
Profit Before Interest Expense		
Net Profit for the Year		

QUESTION 2: NOTES TO THE FINANCIAL STATEMENTS AND BALANCE SHEET

2.1 NOTES TO THE FINANCIAL STATEMENTS

2.1.1 Owners' Equity

Balance at the beginning	
Balance at the end of year	1 456 200

7

2.1.2 INVENTORIES

3

2.1.3 FIXED ASSET NOTE				
	Land & Buildings	Vehicles	Equipment	Total
Carrying value at the beginning of the year		504 000		
Cost		720 000	184 000	
Accumulated Depreciation			(34 960)	
Movements				
Additions at cost			0	
Depreciation for the year				
Carrying value at the end of the year	1 250 000			
Cost	1 250 000		184 000	
Accumulated Depreciation				
				17

2.2: STATEMENT OF FINANCIAL POSITION

ASSETS	
NON-CURRENT ASSETS	
Fixed assets	
CURRENT ASSETS	
Inventories	
Trade and other receivables	38 114
TOTAL ASSETS	
EQUITY AND LIABILITIES	
OWNERS' EQUITY	
NON-CURRENT LIABILITIES	
Loan: RSA Bank	
CURRENT LIABILITIES	
Trade and other payables	153 500
TOTAL EQUITY AND LIABILITIES	

23

50

TOTAL: 100



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**ACCOUNTING GRADE 10 – 2022 SEPTEMBER
CONTROLLED TEST: MARKING GUIDELINES**

	MARKS
QUESTION 1	
Concepts and Statement of Comprehensive Income (Income Statement)	50
QUESTION 2	
Notes to the Financial Statements and Statement of Financial Position	50
TOTAL MARKS	100

These marking guidelines consist of 6 pages.

QUESTION 1: CONCEPTS AND STATEMENT OF COMPREHENSIVE INCOME

1.1 CONCEPTS

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

5

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1.2 STATEMENT OF COMPREHENSIVE INCOME

MOTSEPE VACUUM CLEANERS

STATEMENT OF COMPREHENSIVE INCOME OF FOR THE YEAR ENDED 30 JUNE 2021

Sales			3 240 000	
Cost of Sales			(2 160 000)	
Gross Profit			1 080 000	
Other Operating Income		* <input checked="" type="checkbox"/>	135 540	
Discount received			9 200	
Fee income (124 500✓ + 1 400✓)	one part correct	<input checked="" type="checkbox"/>	125 900	
Trading stock surplus		✓✓	440	
Gross Operating Income	GP+OPI	* <input checked="" type="checkbox"/>	1 215 540	8
Operating Expenses	one part correct	* <input checked="" type="checkbox"/>	(1 101 390)	
Discount allowed			3 400	
Repairs			234 300	
Packing material			1 460	
Sundry expenses			128 200	
Water and electricity			63 200	
Salaries (345 600✓ + 25 200✓✓ + 2 400✓)	one part correct	<input checked="" type="checkbox"/>	373 200	
Stationery		✓✓	20 400	
Rent expense (92 800✓ + 9 200✓✓)	one part correct	<input checked="" type="checkbox"/>	102 000	
Rates and taxes (32 500✓ + 1 800✓)	one part correct	<input checked="" type="checkbox"/>	34 300	
Advertising (18 400✓ – 1 800✓✓)	one part correct	<input checked="" type="checkbox"/>	16 600	
Bad Debts (9 200✓ + 2 280✓✓)	one part correct	<input checked="" type="checkbox"/>	11 480	
Bank Charges (4 200✓ + 450✓)	one part correct	<input checked="" type="checkbox"/>	4 650	
Depreciation		✓	108 200	
Operating Profit	GOI-OE	* <input checked="" type="checkbox"/>	114 150	27
Interest Income (3 675✓ + 1 225✓✓ + 580✓ + 120 ✓)	one part correct	<input checked="" type="checkbox"/>	5 600	
Profit Before Interest Expense	OP+IE	* <input checked="" type="checkbox"/>	119 750	
Interest Expense		✓✓	(16 000)	
Net Profit for the Year	PBIE-IE	* <input checked="" type="checkbox"/>	103 750	10

45

☒ one part correct means operation and one part correct

*☒ check operation (+ or -)

50

QUESTION 2: NOTES TO THE FINANCIAL STATEMENTS AND BALANCE SHEET

2.1 NOTES TO THE FINANCIAL STATEMENTS

2.1.1 Owners' Equity

Balance at the beginning	check operations	<input checked="" type="checkbox"/> 1 343 800
Additional capital		✓ 50 000
Net profit/income		✓ 89 200
	check operations	<input checked="" type="checkbox"/> 1 483 000
Drawings (24 300✓ + 2 500✓)	one part correct	<input checked="" type="checkbox"/> (26 800)
Balance at the end of year		1 456 200

7

2.1.2 INVENTORIES

Trading stock	✓ 254 800
Consumable stores on hand	✓ 3 200
	✓ 258 000

3

2.1.3 FIXED ASSET NOTE				
	Land & Buildings	Vehicles	Equipment	Total
Carrying value at the beginning of the year	✓1 170 000	504 000	✓149 040	
Cost	✓1 170 000	720 000	184 000	
Accumulated Depreciation		✓ (216 000)	(34 960)	
Movements				
Additions at cost	✓80 000	✓340 000	0	
Depreciation for the year		✓✓✓* (146 250)	✓✓ (14 904)	
Carrying value at the end of the year	1 250 000	✓697 750	✓134 136	✓2 081 886
Cost	1 250 000	✓1 060 000	184 000	
Accumulated Depreciation		✓ (362 250)	✓ (49 864)	
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				17

*108 000✓ + 38 250✓ = 146 250✓

2.2: STATEMENT OF FINANCIAL POSITION

ASSETS		
NON-CURRENT ASSETS	Check operation	2 161 886 ✓
Fixed assets	See 2.1.3	2 081 886 ✓
Financial asset (125 000✓ - 45 000✓)	One part correct	80 000 ✓
CURRENT ASSETS		350 114 ✓
Inventories	See 2.1.2	258 000 ✓
Trade and other receivables		38 114
Cash and cash equivalents (6 000✓ + 3 000✓ + 45 000✓)		54 000 ✓
TOTAL ASSETS	#	2 512 000 ✓
EQUITY AND LIABILITIES		
OWNERS' EQUITY		1 456 200 ✓
NON-CURRENT LIABILITIES		787 000 ✓
Loan: RSA Bank (854 200✓ - 67 200✓)	One part correct	787 000 ✓
CURRENT LIABILITIES	Check operation	268 800 ✓
Trade and other payables		153 500
Bank overdraft (45 600✓ + 2 500✓)		48 100 ✓
Current portion of loan	Check Loan (NCL)	67 200 ✓
TOTAL EQUITY AND LIABILITIES	#	2 512 000 ✓

#Must be the same to earn 2 marks

23

50

TOTAL: 100