



education

Department:
Education
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

PROVINCIAL ASSESSMENT

GRADE 10

ACCOUNTING P2
NOVEMBER 2025

MARKS: 150

TIME: 2 hours

This question paper consists of 10 pages,
a formula sheet and a 9-page answer book.

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. A Financial Indicator Formula Sheet is attached at the end of this question paper.
4. Show ALL workings to earn part-marks.
5. You may use a non-programmable calculator.
6. You may use a dark pencil or blue/black ink to answer the questions.
7. Where applicable, show ALL calculations to ONE decimal point.
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	Debtors' reconciliation and Internal control	45	35
2	Inventory and internal control	25	20
3	Fixed assets and internal control	25	20
4	Cost accounting and Budgeting	40	35
5	Interpretation of financial indicators	15	10
TOTAL		150	120

QUESTION 1: DEBTORS RECONCILIATION AND INTERNAL CONTROL**(45 marks; 35 minutes)****MOTHAЕ TRADERS**

The information below relates to Mothae Traders for the period ending 30 June 2025. The business uses a mark-up of 40% on cost for all goods sold.

REQUIRED:

- 1.1 Ledger account for June 2025 after considering errors and omissions.
Note: Show all calculations in the brackets and balance the account. (19)
- 1.2 Prepare a correct list of debtors for 30 June 2025 (20)
- 1.3 Explain the following terms:
 - Credit terms
 - Credit limit (2)
- 1.4 Advise the owner on how to improve collections from debtors. Give TWO valid points. (4)

INFORMATION**A. General ledger of Mothae Traders**

Dr					DEBTORS' CONTROL					Cr	
2025 June	1	Balance	b/d	216 210	2025 June	30	Bank & discount allowed	CRJ		124 380	
	30	Sales	DJ	310 920			Debtors' allowances	DAJ		55 580	
		Bank (refund)		600			Journal credits	GJ		1 600	
		Journal debit	GJ	1 820			Balance	c/d		347 990	
				529 550						529 550	
2025 July	1	Balance	b/d	347 990							

B. List of debtors on 30 June 2025:

DEBTORS	DEBIT	CREDIT
S. Sharp	80 000	
Y. Yosef	74 800	
G. Group	72 400	
M. Malan	18 900	
R. Jasson	66 730	
P. Dlamini		1 800
J. Basson	7 200	
T. Direko	18 000	
	338 030	1 800

C. Errors and omissions:

- (i) The debtors control balance on 1 June 2025 was overstated in the books by R6 700.
- (ii) The total of the debtors' allowance column in the debtors' allowance journal was under-recorded by R360.
- (iii) A credit invoice for merchandise sold to M. Malan has not been recorded by the bookkeeper. The cost price of the merchandise sold was R3 700
- (iv) Transfer the credit balance in the Debtors' Ledger of P. Dlamini to his account in the Creditors' Ledger.
- (v) An amount of R400 received from G. Group via EFT, was recorded in the journal but was not transferred to his account.
- (vi) A receipt to S. Sharp for R19 800 was recorded correctly in the subsidiary Journal, but posted to her account as R18 900.
- (vii) An entry for goods sold on credit to T Direko to the value of R3 000 was correctly entered in the debtors' Journal but was entered on the wrong side of his account.
- (viii) A payment of R12 000 received from Y. Yosef was correctly recorded in the subsidiary journal but was incorrectly recorded in the account of R. Jasson.
- (ix) J. Basson, whose account is three months in arrears, must be charged 5% interest p.a.

QUESTION 2: INVENTORY**(25 marks; 20 minutes)****BOOMA TRADERS**

The information below relates to Booma Traders for March 2025. Booma Traders uses a mark-up of $33\frac{1}{3}\%$.

REQUIRED:

- 2.1 Use the following information to set up the Trading Stock account. Balance the account. (19)
- 2.2 Answer the following questions:
- 2.2.1 After a physical stock take on 31 March 2025, the actual value of the trading stock on hand was found to be R1 400 less than the balance you have calculated in the trading stock account. Provide TWO possible reasons for the difference between these two amounts. (4)
- 2.2.2 The business purchase more on cash than on credit. Proof this statement by giving figures (amounts) to motivate your answer. (2)

INFORMATION

- A. The total stock in the storeroom on 1 March 2025 has a value of R14 500.
- B. Total cash sales for March amounts to R25 000.
- C. Total credit sales for March amounts to R18 400
- D. Total trading stock purchased for cash is R15 000
- E. Total trading stock purchased on credit is R11 700
- F. The total debit notes for trading stock returned issued during March amounts to R1 000.
- G. The total credit notes for trading stock returned received during March amounts to R800.
- H. The owner took stock to the value of R2 000 for own use.

QUESTION 3: FIXED ASSEST AND INTERNAL CONTROL (25 marks; 20 minutes)**3.1 MINNIE TRADERS**

The information relates to Minnie Traders for the financial year ended 28 February 2025.

REQUIRED:

- 3.1.1 Calculate the depreciation on equipment of the year ended 28 February 2025 (6)
- 3.1.2 Calculate the carrying value (book value) of equipment on 28 February 2025 (4)
- 3.1.3 Complete the asset register of the vehicle on your ANSWER BOOK. (5)
- 3.1.4 State ONE reason why the asset register is a valuable tool in asset management. (2)

INFORMATION**A. Extracted from Pre-adjustment Trail Balance on 28 February 2025:**

BALANCE SHEET ACCOUNT SECTION	DEBIT	CREDIT
Land and Building	150 700	
Vehicles	110 000	
Equipment	33 000	
Accumulated depreciation on vehicle (1/3/2024)		5 500
Accumulated depreciation on equipment (1/3/2024)		12 500

B. Adjustments and additional information:

Deprecation for the year is as follow:

- Equipment at 10% per annum at the cost price.
Note: The owner contributed additional equipment of R14 000 on 1 September 2024 and correctly recorded on this date.
- Vehicles at 20% per annum on the diminishing balance method.

3.2 INTERNAL CONTROL

Selby, the owner of Minnie Traders, provides free delivery service to all the customer who buy in bulk and stay within a distance of 8 kilometers. The sales figures were low in the previous month but delivery expenses did not decrease. He suspects that delivery expenses are high because of private use of the business vehicles.

REQUIRED:

- 3.2.1 Explain how the business is affected by private use of its vehicles. Provide TWO points (4)
- 3.2.2 Provide the control measures that should be implemented by the owner to avoid mismanagement of fixed assets. State TWO points. (4)

25

QUESTION 4: COST ACCOUNTING AND BUDGETING

(40 marks; 35 minutes)

4.1 CONCEPTS

Choose the correct term from those within the bracket. Only write the term next to the question number (4.1.1 to 4.1.5) in the ANSWER BOOK.

- 4.1.1 Direct labour and direct material used in the factory are equal to total (factory overhead /prime) costs
- 4.1.2 The salary of the factory cleaner is a/an (direct/indirect) labour cost.
- 4.1.3 Rent of a building is considered a (factory overhead /prime) cost.
- 4.1.4 Factory overhead cost is (direct/indirect) manufacturing expenses.
- 4.1.5 An expense for factory rent is recorded as (direct cost/factory overhead cost). (5)

4.2 JUNE MALAN

June Malan manufactures and sells kites for children. The selling price per kite is R155. He manufactured 2 500 kites during October. Provided below is a summary of all his costs of October 2025.

REQUIRED:

Calculate the following:

- 4.2.1 Direct material cost per kite for October 2025. (4)
- 4.2.2 The total manufacturing overheads for October 2025. (5)
- 4.2.3 Total production cost for October 2025 if 2 500 kites were produced. (7)
- 4.2.4 The unit cost of production. (3)
- 4.2.5 The percentage profit that June Malan earned per kite during October 2025, if the kites were sold at R155 each (4)

INFORMATION

Cost per kite:	
Material per kite	R25
Wood per kite	R5
Line per kite	R5
Wages per kite	R50
Costs for the month:	
Salary of factory supervisor	R5 000
Rent of factory	R8 000
Water and electricity of the factory	R2 500
Indirect material cost	R500

4.3 BUDGETING

REQUIRED:

- 4.3.1 What is the aim to prepare cash budget? (2)
- 4.3.2 Name two items that will not appear in a cash budget? (2)
- 4.3.3 If cash sales are 60% of the total sales, calculate the total sales of January. (4)
- 4.3.4 Determine the cash surplus/(deficit) for March. (4)

INFORMATION

Refer to the information relating to Mboweni Traders budget and answer the questions that follow.

CASH RECEIPTS	JANUARY	FEBRUARY	MARCH
Cash sales	42 000	56 000	63 000
Receipts from debtors	25 200	21 600	45 800
Capital contribution			20 000
TOTAL RECEIPTS	67 000	77 600	128 800
CASH PAYMENT			
Cash purchase of stock	3 000	4 000	4 500
Payment of creditors	34 155	32 040	37 733
Drawings	4 500	4 500	4 500
Loan payment			10 000
Interest on loan	1 600	1 600	1 600
Advertising	600	800	900
Salaries and wages	2 000	2 000	2 160
TOTAL PAYMENTS	45 855	44 940	61 393
Cash surplus/(deficit)	21 345	32 660	?
Bank opening balance	8 400	29 745	62 405
Bank closing balance	29 745	62 405	?

QUESTION 5: INTERPRETATION OF FINANCIAL STATEMENTS (15 marks; 10 minutes)**5.1 CONCEPTS**

Choose a term in COLUMN B that matches the description in COLUMN A. Write only the letters (A–C) next to the question numbers (5.1.1 to 5.1.3) in the ANSWER BOOK.

COLUMN A		COLUMN B
5.1.1	Indicates the extent to which a business can pay of its immediate debts.	A Return on equity
5.1.2	Indicates whether a business will be able to pay off all its debts.	B Liquidity
5.1.3	Indicates the benefit that the owners receive from their investment in the business.	C Solvency

(3)

5.2 FINANCIAL INDICATORS

Use the information provided below to calculate the following indicators for the year ended 28 February 2025. All calculations must be shown to 2 decimal place.

REQUIRED:

5.2.1 Acid Test Ratio (4)

5.2.2 Solvency Ratio (3)

5.2.3 Return on average owner's equity (5)

INFORMATION**A. Extract from the Financial Statements on 28 February 2025**

Sales	R1 700 000
Cost of sales	R900 000
Current assets including inventories	R310 000
Inventories	R140 000
Current Liabilities	R150 000
Non-Current Liabilities	R370 000
Net Profit for the year	R580 000
Non-Current Assets	R1 200 000
Owners equity beginning of year	R1 400 000
Owners equity end of year	R1 550 000

15**TOTAL: 150 MARKS**

GRADE 10 ACCOUNTING FINANCIAL INDICATOR FORMULA SHEET

$$\frac{\text{Gross profit}}{\text{Sales}} \times \frac{100}{1}$$

$$\frac{\text{Gross profit}}{\text{Cost of sales}} \times \frac{100}{1}$$

$$\frac{\text{Net profit}}{\text{Sales}} \times \frac{100}{1}$$

$$\frac{\text{Operating expenses}}{\text{Sales}} \times \frac{100}{1}$$

$$\frac{\text{Operating profit}}{\text{Sales}} \times \frac{100}{1}$$

Current assets : Current liabilities

(Current assets – Inventories) : Current liabilities

Total assets : Total liabilities

$$\frac{\text{Net income}}{\text{Average owners' equity}} \times \frac{100}{1}$$



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ACCOUNTING P2
NOVEMBER 2025
ANSWER BOOK

Stanmorephysics.com

NAME OF LEARNER: _____

QUESTIONS	MARKS	EDUCATOR	INTERNAL MOD	EXTERNAL MOD
1	45			
2	25			
3	25			
4	40			
5	15			
TOTAL	150			

These marking guidelines consist of 9 pages.

QUESTION 1**1.1 GENERAL LEDGER MOTHAE TRADERS**

DEBTORS' CONTROL							
2025 Jun 01				2025 Jun 30			

19

1.2

LIST OF DEBTORS ON 30 JUNE 2025	FINAL AMOUNT
S.Sharp (80 000	
Y.Yosef (74 800	
G.Group (72 400	
M.Malan (18 900	
R.Jasson (66 730	
P.Dlamini	
J.Basson (7 200	
T.Direko (18 000	

20

1.3 Explain the following terms:

- Credit terms
- Credit limit

2

1.4 Advise the owner on how to improve collections from debtors.
Give TWO valid points.

4

TOTAL MARKS

45

QUESTION 2**2.1 GENERAL LEDGER BOOMA TRADERS**

TRADING STOCK							
2025 Mar 01				2025 Mar 31			

19

- 2.2 2.2.1 After a physical stock take on 31 March 2025, the actual value of the trading stock on hand was found to be R1 400 less than the balance you have calculated in the trading stock account. Provide TWO possible reasons for the difference between these two amounts.



4

- 2.2.2 The business purchases more on cash than on credit. Proof this statement by giving figures (amounts).

--

2

TOTAL MARKS

25

QUESTION 3**3.1 MINNIE TRADERS**

3.1.1 Calculate the depreciation on equipment of the year ended 28 February 2025.

WORKINGS	ANSWER
	

6

3.1.2 Calculate the carrying value (book value) of equipment on 28 February 2025.

WORKINGS	ANSWER

4

3.1.3 Complete the asset register of the vehicle on your ANSWER BOOK.

ASSET:	Vehicle	Date Purchased:	1 December 2023
Cost price:	R110 000	Depreciation method	20% p.a on diminishing balance
RECORD OF DEPRECIATION			
Date	Depreciation	Accumulated Depreciation	Carrying value
28 Feb 2024		5 500	
28 Feb 2025			

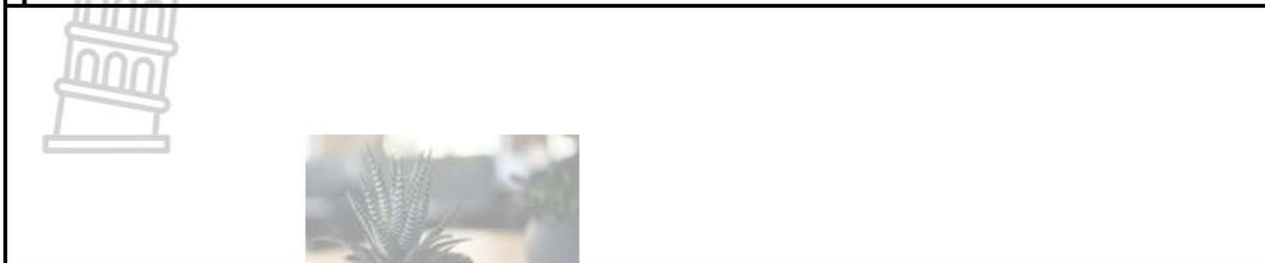
5

3.1.4 State ONE reason why the asset register is a valuable tool in asset management.

2

3.2 INTERNAL CONTROL

3.2.1 Explain how the business is affected by private use of its vehicles. Provide TWO points.



4

3.2.2 Provide the control measures that should be implemented by the owner to avoid mismanagement of tangible assets. State TWO points.



4

TOTAL MARKS
25

QUESTION 4**4.1 CONCEPTS**

4.1.1	
4.1.2	
4.1.3	
4.1.4	
4.1.5	

5

4.2 JUNE MALAN

Calculate the following:

WORKINGS	ANSWER
4.2.1 Direct material cost per kite for October 2025.	
4.2.2 The total manufacturing overheads for October 2025.	
4.2.3 Total production cost for October 2025 if 2 500 kites were produced.	
4.2.4 The unit cost of production.	
4.2.5 The percentage profit that June Malan earned per kite during October 2025, if the kites were sold at R155 each.	

4

5

7

3

4

4.3 BUDGETING4.3.1 **What is the aim to prepare cash budget?**



2

4.3.2 **Name two items that will not appear in a cash budget?**



2

4.3.3 **If cash sales are 60% of the total sales, calculate the total sales of January.**

WORKINGS	ANSWER

4

4.3.4 **Determine the cash surplus/(deficit) for March.**

WORKINGS	ANSWER

4

TOTAL MARKS
40

QUESTION 5**5.1 CONCEPTS**

5.1.1	
5.1.2	
5.1.3	

3

5.2 FINANCIAL INDICATORS

Calculate the following:

WORKINGS	ANSWER
5.2.1 Acid Test Ratio	
5.2.2 Solvency Ratio	
5.2.3 Return on average owner's equity.	

4

3

5

TOTAL MARKS

15