LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

NATIONAL SENIOR CERTIFICATE

GRADE 10

ACCOUNTING

TERM 3 TASK 6: CONTROLLED TEST

2025

MARKS: 100

TIME: 90 MINUTES

This question paper consists of 7 pages, a formula sheet and a 6 pages 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	Concepts and Statement of Comprehensive Income	50	45
2	Notes and Statement of financial position	35	30
3	Financial indicators: Calculation and interpretation	15	15
TOTAL		**100**	**90**

QUESTION 1 CONCEPTS AND STATEMENT OF COMPREHENSIVE INCOME (50 marks; 45 minutes)

1.1 Indicate whether the following statements are True or False.

1.1.1 Statement of financial position reflects the net worth of the business.
1.1.2 Non-current liabilities contains debts that will be settled within one year.
1.1.3 Important information should be shown separately, while less important transactions can be merged in sundry accounts. (3)

1.2 You are provided with information relating to Kholo Traders. The owner wants you to determine the profit / loss for the year ended 28 February 2025.The business uses a mark-up of 60% on cost .

1.2.1 Prepare the Statement of Comprehensive Income for the year ended 28 February 2025.
Note: Show all your calculations in brackets to earn part marks (43)

1.2.2 The owner of Kholo Traders is worried that the staff are stealing stock. Provide Two internal control measures he can be implement to avoid this in future. (4)

INFORMATION:

A. **Extract from the Pre-Adjustment Trial Balance of Kholo Traders for the year ended 28 February 2025**

	DEBIT	CREDIT
BALANCE SHEET ACCOUNTS SECTION		
Trading stock	159675	
Debtors control	30 000	
Fixed deposit: Leroy Bank (9% p.a)	975 000	
Loan: Bid vest Bank		?
NOMINAL ACCOUNTS SECTION		
Sales		2 220 000
Cost of sales	1 110 000	
Debtors allowance	19 200	
Rent income		45 600
Interest on fixed deposit		30 000
Water and electricity	56 250	
Telephone	40 000	
Bad debts	4 800	
Salaries	328 000	
Stationery	18 150	
Insurance	117 000	
Interest on overdraft	2 250	
Bank charges	6 300	

B. ADJUSTMENTS AND ADDITIONAL INFORMATION:

1. A debtor, P.Small, returned goods with a selling price of R1 800 on 28 February 2025. No entries were made.

2. The owner Kholo took stock at cost price R1 620.

3. On the last day of the financial year, a physical stocktaking revealed the following :
   - Trading stock R 156 300
   - Stationery R2 025

4. Included in the amount for insurance is an annual insurance of R45 000 paid on 1 September 2024.

5. The fixed deposit was invested on the 1 September 2024. Provide for the outstanding amount.

6. Kholo Traders received the loan statement from Bidvest bank on 28 February 2025. The monthly repayment was R18 750 per month. The balance on 1 March 2024 was R930 000 and R825 000 on 28 February 2025. Interest has been capitalized. Provide interest for the year.

7. A debtor who owes the business R4 163 account must be written off as irrecoverable.

8. B.Stamp, a debtor whose account for R1 200 was previously written off as bad debts, paid the amount via EFT. The transaction was recorded in the cash Receipts Journal in the Debtors' control column. Correct the error.

9. The bank statement was received on 28 February and revealed the following:
   - Interest on favourable bank account, R1 080
   - Cash handling fees, R1 005

10. Depreciation for the year amounted to R120 300

11. The rent increased by 10% from 1 October 2024. The rent for February has not yet received.

12. One of the employees has been omitted from the salaries Journal of February 2025. The details are as follows:

Gross salary	Total deductions	Net salary	*Employer's contributions
?	6 600	17 800	10% of gross salary

*Employer's contributions are recorded as Salaries and wages.

50

QUESTION 2 NOTES AND STATEMENT OF FINANCIAL POSITION
(35 marks; 30 minutes)

STRYDOM STORES

The information below was taken from the books of Strydom Stores:

2.2 Prepare the following notes to the Statement of Financial Position on 28 February 2025 . (show the workings)

2.2.1	Note for fixed Assets	(14)
2.2.2	Owner's equity	(5)
2.2.3	Trade and other receivables	(3)
2.2.4	Trade and other Payables	(5)

2.3 Prepare the equity and liabilities section of the Statement of Financial Position (8)

INFORMATION:
EXTRACT FROM THE BOOKS OF STRYDOM STORES ON 28 FEBRUARY 2025

BALANCE SHEET ACCOUNT SECTION	R
Capital	1 798 500
Drawings	122 210
Land and Buildings (1/3/2024)	1 182 500
Vehicles (1/3/2024)	726 000
Equipment (1/3/2024)	198 000
Accumulated depreciation on vehicles (1/3/2024)	442 200
Accumulated depreciation on equipment (1/3/2024)	79 200
Loan : (Bid vest bank)	1 320 000
Fixed deposit: Cameroon Bank	?
Debtors control	205 150
Bank	61 820
Cash float	1 045
Trading stock	239 360
Creditors control	343 420
Accrued expenses	7 950
Prepaid expenses	14 520
Income received in advance	12 430
Accrued Income	2 310

EXTRACT FROM THE FIXED ASSET NOTE:

	Land and building	**Vehicles**	**Equipment**
Carrying value beginning of year	**1 182 500**	**283 800**	**118 800**
Cost	**1 182 500**	**726 000**	**198 000**
Accumulated depreciation	**(0)**	**(442 200)**	**(79 200)**
Movements:			
Additions at cost	**456 500**		
Depreciation	(0)		
Carrying value end of year	**1 639000**		
Cost	**1 639 000**	**1 320 000**	
Accumulated depreciation	(0)		

Additional information:

(i) During the year the owner increased his capital contribution with an additional amount of R247 500. This was recorded

(ii) The owner withdrew R11 000 of stock on 27 February 2025. No entry was made.

(iii) The net profit for the year after additional information was taken into account amounted to R414 205.

(iv) During the year a new store room for R456 500 was built. This transaction was recorded properly.

(v) Anew vehicle was bought on 1 October 2024 for R594 000. This transaction was recorded properly. Depreciation on vehicles is calculated at 20% p.a on the diminishing balance method.

(vi) The business bought equipment on 1 February 2025 for R26 400 on credit. This transaction was not recorded. Depreciation on equipment is calculated at 10%p.a on cost price method.

(vii) 25% of loan will be repaid in the next financial year

(viii) 75% of the fixed deposit matures on 1 December 2025

35

QUESTION 3 FINANCIAL INDICATORS: (15 marks; 15 minutes)

You are provided with the information from the books of Moolman Traders for the year ended 30 June 2025.

REQUIRED:

3.1 **FINANCIAL INDICATORS:**

3.1.1 Calculate following financial indicators for 30 June 2025
- % Operating expenses on sales (2)
- % net profit on sales (2)

Do you think the owner should be happy with the profitability of the business? (3)

3.1.2 Calculate liquidity indicators for 30 June 2025. Quote TWO financial indicators and show their trends (8)

INFORMATION:

A. Extract from the Income Statement for June 2025

Sales	935 000
Cost of sales	550 000
Gross profit	385 000
Other operating income	11 000
Operating expenses	265 100
Net profit for the year	130 900

B. Extract from Balance Sheet for June 2025:

Tangible assets	737 000
Non-current liabilities	165 000
Inventories	**101 200**
Trade and other receivables	**26 620**
Cash and cash equivalents	**7 480**
Trade and other Payables	45 100

C. Financial indicators:

	2025	**2024**
Gross profit on sales	?	43%
Net profit on sales	?	24%
Operating expenses	?	16%
Mark-up percentage	80%	80%
Current ratio		2.5:1
Acid-test ratio	?	1.2:1

15

TOTAL: 100

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 sand 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

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GRADE 10

ACCOUNTING

SEPTEMBER 2025

ANSWER BOOK

CANDIDATE'S NAME & SURNAME____________________________________

NAME OF SCHOOL____

QUESTION	MAX MARKS	MARKS OBTAINED	SCHOOL MOD	DISTRICT MOD	PROV MOD
1	50				
2	35				
3	15				
TOTAL	100				

These Answer Book consist of 6 pages

QUESTION 1

STATEMENT OF COMPREHENSIVE INCOME

1.1 Indicate whether the following statements are True or False

1.1.1	
1.1.2	
1.1.3	

3

1.2.1 STATEMENT OF COMPREHENSIVE INCOME FOR KHOLO TRADERS FOR THE YEAR ENDED 28 FBRUARY 2025

Sales (**2 220 000**	
Gross profit	
Gross operating Income	
Operating expenses	
Depreciation	**120 300**
Water and electricity	**56 250**
Telephone	**40 000**
Salaries **(328 000**	
Operating profit	
Interest income (**30 000**	
Net profit for the year	

43

1.2.2	**The owner of Kholo Traders is worried that the staff are stealing stock. Provide Two internal control measures he can be implement to avoid this in future.**

4

TOTAL MARKS	**50**	

QUESTION 2

2.1 Notes to financial statements:

2.1.1 Fixed assets

	Land and building	**Vehicles**	**Equipment**
Carrying value beginning of year	**1 182 500**	**283 800**	**118 800**
Cost	**1 182 500**	**726 000**	**198 000**
Accumulated depreciation	**(0)**	**(442 200)**	**(79 200)**
Movements:			
Additions at cost	**456 500**		
Depreciation	(0)		
Carrying value end of year	**1 639 000**		
Cost	**1 639 000**	**1 320 000**	**224 400**
Accumulated depreciation	(0)		

14

2.1.2

OWNER'S EQUITY	
Balance at the end of the year	**1 798 500**

5

2.1.3

TRADE AND OTHER RECEIVABLES	
Trade debtors	**205 150**

3

2.1.4

TRADE AND OTHER PAYABLES	

5

2.2 STATEMENT OF FINANCIAL POSITION ON 28 FEBRUARY 2025

EQUITY AND LIABILIITES	**1 798 500**
Owner's Equity	**1 798 500**
Non- current liability	
Current liabilities	
Total equity and liabilities	

8

TOTAL MARKS	35	

QUESTION 3

3.1 Calculate:

3.1.1

% Operating expenses on sales	
WORKINGS	**ANSWER**

2

% Net profit on sales	
WORKINGS	**ANSWER**

2

Do you think the owner should be happy with the profitability of the business?

3

3.1.2

WORKINGS	**ANSWER**

8

TOTAL MARKS	**15**	

TOTAL: 100

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GRADE 10

ACCOUNTING
TERM 3 CONTROLLED TEST 2025
MARKING GUIDELINES

MARKS: 100

MARKING PRINCIPLES:

1. Unless otherwise indicated 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. Full marks for correct answer. If answer 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 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.
7. These marking guidelines are not for public distribution, as certain items might imply incorrect treatment. The adjustments made are due to nuances in certain questions.
8. Where penalties are applied, the marks for that section of the question cannot be a final negative.
9. Where method marks are awarded for operation, the marker must inspect the reasonableness of the answer.
10. Operation means 'check operation'. 'One part correct' means operation and one part correct. Note: Check operation must be +, -, x, ÷, or per marking guidelines.
11. In calculations, do not award marks for workings if numerator and denominator are swapped – this also applies to ratios.
12. 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 ☒.
13. Be aware of candidates who provide valid alternatives beyond the marking guidelines. Note that one comment could contain different aspects.
14. Codes: f = foreign item; p = placement/presentation.

These marking guidelines consist of 6 pages.

QUESTION 1

STATEMENT OF COMPREHENSIVE INCOME

1.1 Indicate whether the following statements are True or False

1.1.1	True ✓
1.1.2	False ✓
1.1.3	True ✓

3

1.2.1 STATEMENT OF COMPREHENSIVE INCOME FOR KHOLO TRADERS FOR THE YEAR ENDED 28 FBRUARY 2025

Sales (**2 220 000** – 19 200✓ – 1 800✓)	2 199 000☑*
Cost of sales (1 110 000 ✓– 1 080✓)	1 108 920☑*
Gross profit	1 090 080☑
Other operating income	51 200☑
Rent income 45 600✓ + 4 400 ✓✓	50 000☑*
Bad debts recovered	1 200✓
Gross operating income	1 141 280☑
Operating expenses	**(701 118)**☑
Depreciation	**120 300**
Water and electricity	**56 250**
Telephone	**40 000**
Salaries **328 000** + 24 400✓ + 2 440✓	354 840☑*
Bad debts (4 800 + 4 163)	8 963✓✓
Stationery (18 150 – 2 025)	16 125✓✓
Insurance (117 000 ✓– 22 500✓✓)	94 500☑*
Bank charges **(** 6 300 + 1 005)	7 305✓✓
Trading stock deficit (159 675 ✓+ 1 080✓ -1 620✓ – 156 300✓)	2 835☑*
Operating profit	**440 162**☑
Interest income (**30 000** + 13 875✓ + 1 080✓)	44 955☑*
Profit before interest expense	485 117☑
Interest expense (120 000✓✓ + 2 250✓)	122 250☑*
Net profit for the year	362 867☑

43

*one part correct ☑operation
-1 foreign items (max -2),misplaced items (T/S deficit only),award method marks for workings only.

1.2.2	**The owner of Kholo Traders is worried that the staff are stealing stock. Provide Two internal control measures he can be implement to avoid this in future.**
	Any valid control measure with reference to inventory ✓✓ ✓✓ • Conduct regular inventory survey • Security cameras are installed to keep an eye on workers • Limit access to inventory and storeroom • Distribution of duties for personnel handling inventories • Search employees when they leave the premises One mark response • Security cameras • Counting stock • Division of duties

4

TOTAL MARKS	50

QUESTION 2

2.1 Notes to financial statements:

2.1.1 Fixed assets

	Land and building	Vehicles	Equipment
Carrying value beginning of year	**1 182 500**	**283 800**	**118 800**
Cost	**1 182 500**	**726 000**	**198 000**
Accumulated depreciation	**(0)**	**(442 200)**	**(79 200)**
Movements:			
Additions at cost	**456 500**	594 000✓	26 400✓
Depreciation 594 000 x 20% x 5/12 56 760✓+ 49 500✓☑ +19 800 ✓+ 220✓☑ 26 400 x 10/100 x 1/12	(0)	(106 260) ☑*	(20 020)☑ *
Carrying value end of year	**1 639 000**	771 540☑*	125 180☑*
Cost	**1 639 000**	**1 320 000**	**224 400**
Accumulated depreciation	(0)	(548 460)☑ *	(99 220)☑ *

*one part correct ☑operation

14

2.1.2

OWNER'S EQUITY	
Balance at the beginning balancing figure	1 270 005☑
Additional capital	247 500✓
Drawings (122 210 + 11 000) one part correct	(133 210)✓☑
Net income	414 205✓
Balance at the end of the year	**1 798 500**

5

2.1.3

TRADE AND OTHER RECEIVABLES	
Trade debtors	**205 150**
Prepaid expenses	14 520✓
Accrued Income	2 310✓
operation	221 980☑

3

2.1.4

TRADE AND OTHER PAYABLES	
Trade creditors (343 420 + 26 400) one part correct	369 820✓☑
Accrued expenses	7 590✓
Income received in advance	12 430✓
operation	389 840☑

5

2.2 STATEMENT OF FINANCIAL POSITION ON 28 FEBRUARY 2025

EQUITY AND LIABILIITES		**1 798 500**
Owners Equity		**1 798 500**
Non current liability		990 000
Loan (1 320 000✓ - 330 000✓✓)	*one part correct	990 000☑*
Current liabilities	Operation	719 840☑
Trade and other payables	see 2.1.4	389 840☑
Short term loan	see loan	330 000☑
Total equity and liabilities	Operation	3 508 340☑

8

TOTAL MARKS	**35**

QUESTION 3

3.1.1

Calculate:	
% Operating expenses on sales	
WORKINGS	**ANSWER**
265 100 x 100 935 000 1	28,4% ✓✓ Two or nothing

2

% Net profit on sales	
WORKINGS	**ANSWER**
130 900 x 100 935 000 1	14% ✓✓ Two or nothing

2

Do you think the owner should be happy with the profitability of the business?
No, Operating expenses increased from 16% to 28,4% or by 12,4%✓ while Net profit on sales decreased from 24% to 14% or by 10%✓ There is a decline in cost control /expenses are not well controlled✓

3

3.1.2

WORKINGS	**ANSWER**
Current ratio✓ (135 300 : 45 100)✓ Current ratio increased from 2.5:1 to 3: 1✓	3 : 1 ☑*
Acid-test ratio✓ (34 100 : 45 100)✓ Acid- test ratio decreased from 1.2:1 to 0,8:1✓	0,8 : 1☑*

*one part correct

8

TOTAL MARKS	**15**

TOTAL: 100