

# TEACHERS WITHOUT BORDERS PROGRAMME

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Department:  
Basic Education  
REPUBLIC OF SOUTH AFRICA

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In Bill Gates words, at the Mandela Day 'Living Together' address: "Maintaining the quality of this country's higher education system while expanding access to more students will not be easy. But it's critical to South Africa's future" – working together, we can help achieve this."

## Contributing schools to date:

Clifton School	Milnerton High	Rustenburg Girls' High	St Peter's
Durban Girls'	Northwood High	St Anne's DC	St Stithians
Fairmont High	Roedean	St John's DSG	Wynberg Boys' High
Herzlia High	Rondebosch Boys'	St Mary's DSG Kloof	Wynberg Secondary

**ACCOUNTING  
GRADE 10  
MAY 2019**

Time: 2 Hours

Total: 200

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**INFORMATION BOOK**

**PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY**

1. Read the questions in this information book carefully.
2. Answer all the questions in the spaces provided in the Answer Book.
3. This Information Book consists of 5 pages, including the cover.
4. It is in your interest to write legibly and to present your work neatly.
5. You are advised to work in **pencil**.
6. The allocation of marks and the appropriate time to be taken for each question is as follows:

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<b>QUESTION</b>	<b>SECTION</b>	<b>MARKS</b>	<b>TIME</b>
<b>1</b>	<b>Transaction Analysis</b>	<b>94</b>	<b>56 mins</b>
<b>2</b>	<b>General Ledger &amp; Subsidiary Ledger</b>	<b>57</b>	<b>34 mins</b>
<b>3</b>	<b>General Journal</b>	<b>49</b>	<b>30 mins</b>
	<b>TOTAL</b>	<b>200</b>	<b>120</b>

**QUESTION 1: Transaction Analysis****(94 marks, 56 minutes)**

Analyse the following transactions of B. Careful Traders according to the headings in your answer book. The business uses a mark-up of 65% on cost. The bank account has a favourable balance throughout.

**EXAMPLE:**

Sent a cheque to pay the rent for the month, R2 500.

**TRANSACTIONS:**

1. Goods were donated to the local high school. The selling price was R660.
2. Received R350 from a debtor whose account had been written off as bad.
3. Goods were sold to Tiny Tim on credit for R495.
4. The owner took goods, marked at R330, for his own use.
5. Received an invoice from Goofy Transporters for R250 for the delivery of goods to the business.
6. Tiny Tim returned unsatisfactory goods with a cost price of R160.
7. The bank has returned a cheque marked R/D received from D. Dopey for R225 in settlement on the account of R240.
8. Packing material of R560 bought from B. Bashful last month was incorrectly entered in the Trading Stock account.
9. The Bank Statement showed a stop order for R300 in payment of the insurance premium.
10. The Fixed deposit of R10 000 matured. The business received a cheque from Tut Bank for R10 750.
11. Bought goods from T. Trams for R12 000 less 10% trade discount and paid by cheque.
12. The owner took R330 out of petty cash for his own use.
13. Sent a cheque to Desserts Industries to settle the account of R580 less 5% discount.
14. Returned damaged goods to T. Trams worth R550.
15. Cash sales totaled R16 500.

**QUESTION 2: General Ledger & Subsidiary Ledger****(57 marks, 34 minutes)****2.1 GENERAL LEDGER****(33 marks; 20 minutes)**

On the 31 August the following information appeared in the books of Pretty Pillows. Pretty Pillows uses a 60% mark up on cost for CASH SALES and an 80% mark up on cost for CREDIT SALES.

**INFORMATION:**

- These balances appeared in the books of Pretty Pillows at the end of July 2018:  
Debtors Control R16 400, Trading Stock R74 500, Packing Material R1 230
- The following Journal totals were extracted on 31 August 2018:

Petty Cash Journal of Pretty Pillows for August 2018:				
Petty Cash	Debtors Control	Packing Material	Wages	Sundry Amount
450	200	130	50	70

Cash Receipts Journal of Pretty Pillows for August 2018:					
Bank	Sales	Cost of Sales	Debtors Control		Sundry Amount
			Receipts	Discount	
14 560	8 000	?	?	75	960

**NOTE:** Cash Sales mark-up is 60%

Cash Payments Journal of Pretty Pillows for August 2018:						
Bank	Trading Stock	Packing Material	Debtors Control	Creditors Control		Sundry Amount
				Payments	Discount	
10 360	?	870	450	2 300	100	2 740

Debtors Journal of Pretty Pillows for August 2018:	
Sales	Cost of Sales
?	3 000

**NOTE:** Credit Sales mark-up is 80%

Debtors Allowances Journal for Pretty Pillows for August 2018:	
Debtors Allowances	Cost of Sales
600	250

Creditors Journal of Pretty Pillows for August 2018:
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Creditors	Trading Stock	Packing Material	Equipment
9 800	6 100	?	2 250

Creditors Allowances Journal of Pretty Pillows for August 2018:			
Creditors	Trading Stock	Packing Material	Equipment
3 760	760	1 040	1 960

General Journal of Pretty Pillows for August 2018:			
Debtors Control		Creditors Control	
DEBIT	CREDIT	DEBIT	CREDIT
1 200	700	200	600

**2.2 INTERPRETATION****(11 marks; 6 minutes)**

Study the following ledger account and answer the questions which follow:

CREDITORS CONTROL					B5				
June	30	<b>D</b>	CPJ	8 750	June	1	Balance	b/d	8 500
		Sundry Accounts	<b>E</b>	1 250		30	Sundry Accounts	<b>A</b>	20 000
		<b>F</b>	GJ	350			<b>B</b>	CRJ	1 000
		Balance	c/d	?			<b>C</b>	GJ	150
				?					?
					July		Balance	b/d	?

**2.3 DEBTORS LEDGER****(13 marks; 8 minutes)**

Study the following Debtors Ledger account and answer the questions which follow:

**DEBTORS LEDGER OF CRICHTON CAKES**

Date	Details	Fol	Debit	Credit	Balance
M. BROWNIE		DL1			
Feb	1	Balance	b/d		2 000
	2	Interest	<b>A</b>	<b>B</b>	2 075
	4	<b>C</b>	DJ	<b>D</b>	4 575
	6	Receipt 304	<b>E</b>	<b>F</b>	2 500
	12	<b>G</b>	CPJ	<b>H</b>	4 575
	20	Bad Debts	GJ	4 575	Nil

**QUESTION 3: General Journal****(49 marks, 30 minutes)**

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Enter the transactions below in the GENERAL JOURNAL of Harry's Retailers for the month of April 2019. Narrations **are** required.

TRANSACTIONS:

- 5 C. Taylor is to be charged 8% p.a. interest for three months on his overdue account of R450.
- 7 L. Lemur, a debtor was declared insolvent. A cheque for the final dividend of 40 cents in the rand on a debt of R600 had been received. Write the balance off as bad.
- 10 Goods sold to O. Olifant for R440 were incorrectly entered in the account of A. Olifant.
- 12 A cheque of R430 received from J. Jones in settlement of his account of R450 was returned by the bank marked R/D insufficient funds.
- 15 Goods bought from Hardware Wholesalers for R678 were incorrectly entered in the Creditors Journal as R768.
- 20 Received the loan statement from FN Bank. Two months interest of R5 000 needs to be capitalized against the loan account.
- 26 An investment of R50 000 in a one year fixed deposit with AB Bank at 9% p.a. interest was made. The interest is capitalized. The fixed deposit matured and the proceeds were deposited electronically in the bank account.
- 28 The owner increased his capital by contributing his laptop and printer worth R12 500 and cash of R6 000 to the business.
- 30 Donated the following to the SPCA: Trading stock with a selling price of R2 500 (cost price R1 200) and a cheque made out to the SPCA for R500.