

LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

SEKHUKHUNE EAST DISTRICT
District on the rise

GRADE 10



ACCOUNTING
MID-TERM TEST

MARKS: 200
DATE: 23 MAY 2023
TIME: 2 hours

stanmorephysics.com

This question paper consists of 9 pages and an answer book of 9 pages.



Instructions to learners:

1. Answer ALL questions in the special Answer Book provided.
2. Read the instructions carefully and answer them precisely.
3. Where relevant, show all workings to earn part-marks.
4. You may use a black/blue ink or a dark pencil. Write neatly and legibly.
5. Ensure that you have your own non-programmable calculator.
6. The paper consist of 6 compulsory questions. Try to manage your time as per the suggested time guide per question.

QUESTION 1: 65 marks; 39 minutes	
Topic of the question:	This question integrates:
Concepts, analysis and General Ledger	Financial accounting Concepts Accounting equation Ledger accounts

QUESTION 2: 40 marks; 24 minutes	
Topic of the question:	This question integrates:
Credit transactions	Financial accounting Concepts Debtors Ledger account Creditor Ledger account

QUESTION 3: 40 marks; 24 minutes	
Topic of the question:	This question integrates:
Salaries and wages	Financial accounting Calculations Salaries and wages

QUESTION 4: 55 marks; 33 minutes	
Topic of the question:	This question integrates:
Sole trader	Financial accounting Concepts Journal adjustments Ethics and internal control

QUESTION 1: Concepts, Analysis and General Ledger (65 marks; 39 minutes)

1.1 Match the source document in Column A with a description provided in Column B. Write the letter (A – E) next to each number (1.1.1 – 1.1.5) in the Answer Book.

COLUMN A		COLUMN B	
1.1.1	EFT	A.	This is the business' record of the sale of goods on credit to a debtor.
1.1.2	Authorisation voucher	B.	This shows that the monthly rent from the tenant was collected.
1.1.3	Receipt	C.	This will indicate the amount paid to settle the telephone account electronically
1.1.4	Original invoice	D.	Issued by the manager so that an entry for bad debts can be made.
1.1.5	Duplicate invoice	E.	Received from a creditor for the purchase of goods on credit.

(5)

1.2 Analyse the following transactions according to the headings on the table provided. Assume that the Bank balance is favourable for all transactions.

Transactions for August 2018:

- 1.2.1 Received an EFT from C. Claren for the monthly rent, R4 680.
- 1.2.2 Received R220 000 from VBS Bank being a mortgage loan at 12% p.a. interest.
- 1.2.3 Bought cleaning detergents for R210 and paid from petty cash.
- 1.2.4 EFT for R760 was received from a debtor as a part of settlement of her account.
- 1.2.5 Received stationery purchased together with credit invoice for R2 180, from Bunty Suppliers. (20)

1.3 The following information appeared in the books of Rufas Stores for July 2018. All goods are sold at a profit mark-up of 60% on cost.

REQUIRED:

- 1.3.1 Calculate the missing amounts denoted by (a) to (d). (12)
- 1.3.2 Post to the following accounts in the General Ledger:
 - Bank (8)
 - Debtors Control (13)
 - Cost of Sales (7)



INFORMATION:

A. Balances and totals on 1 July 2018:

Bank	Debit	R23 500
Debtors Control		R35 380
Cost of sales		R56 120

B. Totals from the journals on 31 July 2018:
Note that the profit mark-up is 60% on cost.

Cash Receipts Journal

BANK	SALES	COST OF SALES	DEBTORS CONTROL		SUNDRY ACCOUNTS
			RECEIPTS	DISCOUNT ALLOWED	
96 500	57 280	(a)	(b)	3 220	15 000

Cash Payments Journal

BANK	TRADING STOCK	STATIO-NERY	CREDITORS CONTROL		SUNDRY ACCOUNTS
			PAYMENTS	DISCOUNT RECEIVED	
(c)	42 400	3 400	28 900	3 680	18 500

Debtors Journal

SALES	COST OF SALES
(d)	14 200

Debtors Allowances Journal

DEBTORS ALLOWANCES	COST OF SALES
3 100	1 120

General Journal

GENERAL LEDGER		DEBTORS LEDGER		CREDITORS LEDGER	
DEBIT	CREDIT	DEBIT	CREDIT	DEBIT	CREDIT
12 000	7 500	3 000	1 200	2 500	8 800

QUESTION 2: Credit Transactions

(40 marks; 24 minutes)

2.1 Answer the following questions regarding credit sales:

- 2.1.1 List TWO advantages for the business when goods are sold on credit. (4)
- 2.1.2 Before granting credit the business must obtain the correct address and contact details of the applicant. Provide TWO other vital information that must be checked before allowing anyone to buy goods on credit. (4)
- 2.1.3 Once credit has been granted, how can the business ensure that debtors pay their account on time? Provide TWO points. (4)

2.2 The following Debtors Ledger account appeared in the books of the FIVE Traders.

Study the account and answer the questions.

FRANK THULO (DL6)

DATE	DETAILS	FOL	DEBIT	CREDIT	BALANCE
2017 Sept	1 Account rendered	b/d			?
	5 Invoice No. x23	DJ3	4 380		17 490
	7 Credit Note No. 11	?		520	16 970
	10 ? No. 76	CRJ3	4 500		12 470
	Discount allowed	CRJ3		225	12 245
	15 Invoice No. x56	DJ3	3 755		16 000
	21 Interest/Receipts	?		50	?

Questions:

- 2.2.1 Provide the folio reference for the transaction on the 7th and the 21st. (2)
- 2.2.2 Provide the detail for the transaction on the 10th. (1)
- 2.2.3 Calculate the amount owed by F. Thulo on 1 September 2018. (3)
- 2.2.4 Calculate the percentage discount granted when R4 500 was received. (4)
- 2.2.5 Comment on the entry for Interest on the 21st. Calculate the final balance. (6)

2.3 The incomplete Creditors Ledger account of Marang Suppliers is provided. Complete the account by filling in the missing details. (12)

MARANG SUPPLIERS (CL8)

DATE	DETAILS	FOL	DEBIT	CREDIT	BALANCE
2018 Sept	1 Account rendered	b/d			12 840
	6	CJ3			19 680
	14				17 850
	22 Cheque No. 2211		7 500		
	25				

- Unsatisfactory goods purchased on 6th was returned on 14th.
- Trading goods purchased on the 25th was subject to a 5% trade discount. Invoice total before the trade discount amounted to R8 200.

QUESTION 3: Salaries and Wages**(40 marks; 24 minutes)****3.1 Calculating Wages**

C. Mogale works in Marry Marie Ltd, a chocolate factory.

REQUIRED:

- 3.1.1 Calculate Mogale's net wage for the week. Show all workings. (15)
- 3.1.2 Calculate the amount due to the SIZWE Medical on behalf of C. Mogale for the week ending 28 October 2018. (5)
- 3.1.3 Complete the posting to the CF Pension Fund account in the General Ledger. Take into account that a cheque to settle the amount due was issued on the 21 October 2018. (8)

INFORMATION: Details of C. Mogale for the week ending 28 October 2018.

C. Mogale - Hours worked for the week	Normal time (hours per week)	Normal time rate (per hour)	Overtime rate (per hour)
52	40	R78,50	R117,50

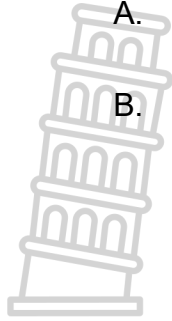
	Employee deductions	Employer's contribution
SARS – PAYE	18 % of gross	-
CF Pension Fund	8 % of basic	10% of basic
GW Medical aid	R320	R1,20 for every R1
Unemployment Insurance	1% of basic	1% of basic
Staff Fund	R12 per week	-
Skills Development	-	1% of basic

3.2 Analysing Salary Information

The salary information of Piet Molotsi, a sales assistant, is presented below.

REQUIRED:

- 3.2.1 Calculate Piet's basic monthly salary in his first year of employment? (3)
- 3.2.2 Piet receives a sales commission of 4% of the monthly sales. Calculate the total sales amount for October 2017. (4)
- 3.2.3 Calculate the total amount that the business pays with regards to Piet's employment (including his gross salary). (5)

INFORMATION:

A. Piet's salary scale: **117 600 x 8 160 – 142 080 x 12 240 – 166 560**

B. Information from Piet's October salary advice:

Basic monthly salary	R11 160
Sales commission	R4 240
Total deductions from employee's salary	R5 120
Net salary	R10 280
Employer's contributions	R6 200
Total cost to business	?

40

QUESTION 4: Sole Trader**(55 marks; 38 minutes)**

4.1 Choose the correct word/s that best describe each statement below. Write the word/s only, next to each number (4.1.1 – 4.1.5) in the Answer Book.

CAPITAL; DRAWINGS; CURRENT LIABILITY; DEBTORS CONTROL; CREDITORS; NON-CURRENT ASSETS; OPERATING PROFIT

- 4.1.1 The owner uses a business account to pay his personal insurance expense.
- 4.1.2 Represents a current asset to the business as money is receivable.
- 4.1.3 Equipment purchased for use in the business.
- 4.1.4 Amount due to creditors for purchase of trading stock.
- 4.1.5 The owner invests additional funds to run the business. (5)

4.2 **Ben Traders**

The information below relates to Ben Traders for the financial year ended 28 February 2019.

REQUIRED:

- 4.2.1 Prepare General Journal entries to take into account adjustments (i) to (v). (21)



INFORMATION:

- A. Information extracted from the Pre-Adjustment Trial Balance on 28 February 2019:

Fixed Deposit: Trust Bank (9%p.a.)	320 000
Rent income	99 450
Interest on fixed deposit	21 600
Telephone	18 880
Water and electricity	17 300
Insurance	15 160

B. **Adjustments and additional information:**

- (i) The February 2019 telephone account of R1 820 was received but it was not yet paid.
- (ii) The rent for March 2019 was received and deposited.
- (iii) An additional fire insurance policy was taken out on 1 January 2019. A cheque for R3 240 to cover the premiums for six months commencing 1 January 2019 was paid.
- (iv) Interest on fixed deposit for the last quarter of this financial year was not yet received.

4.3 INTERNAL CONTROL

Melt Masuku owns a gift shop. He has the following two problems in his business:

- || Stock is going missing from the shop. He suspects that either the customers or his employees are stealing stock from her shop.
- || Although Melt puts a fixed amount of R500 in the petty cash every month as an imprest amount, there is never enough money available to make small payments. The petty cashier assured him that the petty cash box is physically safeguarded against theft. Fridah could, however, not explain to Melt what happened to the money.

List the main internal control measures that Melt Masuku should apply in his business to:

- 4.3.1 Solve the stock problem (THREE points) (6)
- 4.3.2 Solve the petty cash problem (TWO points) (4)

4.4 Ethics

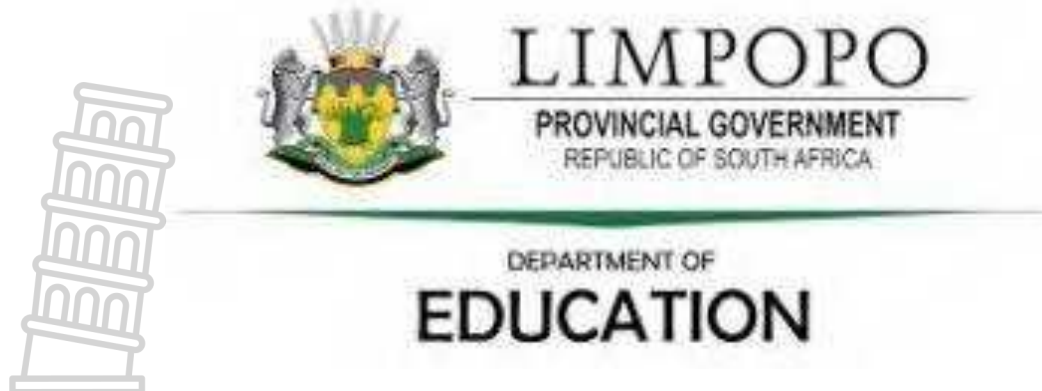
Code of ethics is a set of rules which governs the financial activities of a business. You have started your own business and have decided on three people you wish to employ. You would like to motivate them to be conscientious and loyal employees who carry out their tasks in a way you would like them to.

REQUIRED:

- 4.4.1 Why you think it is necessary to have a Code of Ethics. (2)
- 4.4.2 Outline **THREE** principles of ethical behaviour that you expect them to adhere to. (6)
- 4.4.3. Choose the correct word in brackets:
Standard VAT rate in South Africa is (15% /14%) (2)
- 4.4.4. List **TWO** differences between salaries and wages (4)
- 4.4.5. Outline the differences between deductions and contributions (4)
- 4.1.6. To which organisation is PAYE paid? (1)

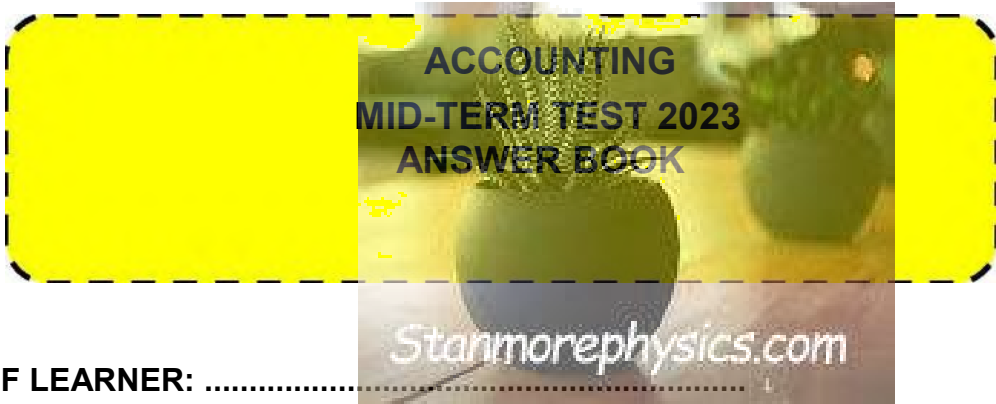
TOTAL: 200





SEKHUKHUNE EAST DISTRICT

GRADE 10



NAME OF LEARNER:

NAME OF SCHOOL:

QUESTION	MARKS	LEARNERS MARK	MODERATORS MARK
1	65		
2	40		
3	40		
4	55		
	200		

This answer book consists of 9 pages.

QUESTION 1

1.1

1.1.1	
1.1.2	
1.1.3	
1.1.4	
1.1.5	

5

1.2

NO.	GENERAL LEDGER ACCOUNT		ASSET	EQUITY	LIABILITY
	DEBIT	CREDIT			
Eg.	Bank	Capital	+ 120 000	+120 000	
1.2.1					
1.2.2					
1.2.3					
1.2.4					
1.2.5					

20

1.3.1

(a)	
(b)	
(c)	
(d)	

12

QUESTION 2

2.1.1 **TWO advantages of credit sales**

4

2.1.2 **TWO vital information to be checked before allowing credit.**

4

2.1.3 **How can the business ensure that debtors pay their accounts in time? TWO points.**

4

2.2 **FRANK THULO (DL6)**

2.2.1 Folio - 7 th :		Folio - 21 st :	
---------------------------------	--	----------------------------	--

2.2.2 Detail for the 10 th :	
---	--

3

2.2.3 **Amount owed by Thulo on 1 September 2018:**

3

2.2.4 **Percentage discount granted when R4 500 was received.**

4

2.2.5 Comment on the entry for interest.

3

Calculate the final balance

3

2.3 MARANG SUPPLIERS (CL8)

DATE	DETAILS	FOL	DEBIT	CREDIT	BALANCE
2018 MAY	1 Account rendered	b/d			12 840
	6	CJ3			19 680
	14				17 850
	22 Cheque No. 2211	CPJ	7 500		
	25				

12



QUESTION 3

3.1 **Calculating wages**

3.1.1 **Calculate Mogale’s net wages for the week**

Gross wage		
Deductions		

15

3.1.2 **Amount due to Medical Aid for the week ending:**

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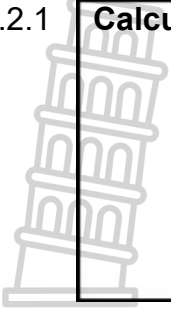
5

CF PENSION FUND (B12)

8

3.2 **Analysing salary information**

3.2.1 **Calculate Piet's basic monthly salary in his first year of employment**



--

3

3.2.2 **Calculate the total Sales amount for October 2018.**



--

4

3.2.3 **Total amount paid by the business with regards to Piet's employment.**

--

5

QUESTION 4

4.1

4.1.1	
4.1.2	
4.1.3	
4.1.4	
4.1.5	



5

4.4.1	Why do you think it is necessary to have a Code of Ethics?	
4.4.2	Outline THREE principles of ethical behaviour that you expect them to adhere to.	

8

4.4.3.	
--------	--

2

4.4.4.	
--------	--

SALARIES	WAGES

4

4.4.5.	
Deductions	Contributions

4

4.4.6.	
--------	--

1



SEKHUKHUNE EAST DISTRICT

GRADE 10

**ACCOUNTING
MID-TERM TEST
2023
MARKING GUIDELINES**

Stannmorephysics.com

MARKS: 200

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QUESTION 1

1.1

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

5

1.2

NO.	GENERAL LEDGER ACCOUNT		ASSET	EQUITY	LIABILITY
	DEBIT	CREDIT			
Eg.	Bank	Capital	+ 120 000	+120 000	
1.2.1	Bank ✓	Rent Income ✓	+ 4 680 ✓	+ 4 680 ✓	
1.2.2	Bank ✓	Loan ✓	+220 000 ✓		+220 000 ✓
1.2.3	Consumable Stores ✓	Petty cash ✓	- 210 ✓	- 210 ✓	
1.2.4	Debtors Control ✓	Bank ✓	± 760 ✓✓		
1.2.5	Stationery ✓	Creditors Control ✓		- 2 180 ✓	+ 2 180 ✓

20

1.3.1

(a)	$57\,280 \checkmark \times 100/160 \checkmark = 35\,800 \checkmark$ One part correct
(b)	$96\,500 \checkmark - (57\,280 + 15\,000) \checkmark \checkmark = 24\,220 \checkmark$ One part correct
(c)	$42\,400 + 3\,400 + 28\,900 + 18\,500 = 93\,200 \checkmark$ One part correct
(d)	$14\,200 \checkmark \times 160\% \checkmark = 22\,720 \checkmark$ One part correct

12



1.3.2

**GENERAL LEDGER OF TRUMP STORE
 BANK**

2017 July	1	Balance	b/d	23 500 ✓	2017 July	31	Total payments / Sundry acc. ✓	CRJ	93 200 ✓ See 1.3.1 (c)
	31	Total receipts/ Sundry acc. ✓	DJ	96 500 ✓			Balance	c/d	26 800 ✓
				120 000 ✓					120 000
Aug	1	Balance	b/d	26 800 ✓					

8

DEBTORS CONTROL

2017 July	1	Balance	b/d	35 380 ✓	2017 July	31	*Bank ✓	CRJ	24 220 ✓ See 1.3.1 (b)
	31	Sales ✓	DJ	22 720 ✓ See 1.3.1(dc)			*Discount Allowed ✓	CRJ	3 220 ✓
		Journal debits	GJ	3 000 ✓			Debtors Allowances ✓	DAJ	3 100 ✓
							Journal credits	GJ	1 200 ✓
							Balance	c/d	32 360 ✓
				64 100					61 100
Aug	1	Balance	b/d	32 360 ✓			* Can combine it		

13

COST OF SALES

2017 July	1	Balance	b/d	56 120 ✓	2017 July	31	Trading Stock ✓	DAJ	1 120 ✓
	31	Trading Stock ✓	CRJ	35 800 ✓ See 1.3.1(a)					
		Trading Stock ✓	DJ	14 200 ✓					

7



QUESTION 2

2.1.1 **TWO advantages of credit sales**

Any TWO advantages ✓✓ ✓✓

It increases sales
 Allows the business to charge more for offering this service
 More customers as they can purchase anytime during the month
 Can stock a wider range of goods / stock turnover should improve

4

2.1.2 **TWO vital information to be checked before allowing credit.**

Any TWO check points ✓✓ ✓✓

Employment history / income earned per month / credit references /
 Banking details

4

2.1.3 **How can the business ensure that debtors pay their accounts in time? TWO points.**

Any TWO valid points ✓✓ ✓✓

Give discounts for early payments
 Charge interest when accounts are overdue
 Send regular statements and/or reminders / sms
 Provide other incentives such as gift vouchers / specials

4

2.2 **FRANK THULO (DL6)**

2.2.1 **Folio - 7th :** DAJ3 ✓ **Folio - 21st :** GJ3 ✓

2.2.2 **Detail for the 10th :** Receipt ✓

3

2.2.3 **Amount owed by Thulo on 1 September 2017:**

17 490 ✓ – 4 380 ✓ = 13 110 **One part correct**

3

2.2.4 **Percentage discount granted when R4 500 was received.**

225 ✓ / 4 500 ✓ x 100 ✓ = 5% **One part correct**

4



2.2.5 **Comment on the entry for interest.**

Any valid comment ✓

Must include that it is recorded on the wrong side ✓✓

Interest is charged when the account is not managed properly.

Payments are not received on time

It is a way of ensuring that debtors pay their accounts on time.

It should be debited as it increases the amount that the debtor owes.

3

Calculate the final balance

16 000 ✓ + 50 ✓ = 16 050 ✓ **One part correct**

3

2.3 **MARANG SUPPLIERS (CL8)**

DATE	DETAILS	FOL	DEBIT	CREDIT	BALANCE
2018 MAY	1	Account rendered (balance)	b/d		12 840
	6	Invoice No XXX ✓	CJ3	6 840 ✓✓	19 680
	14	Debit Note No. XXX ✓	CAJ ✓	1 830 ✓	17 850
	22	Cheque No. 2211	CPJ	7 500	10 350 ✓
	25	Invoice No XXX ✓	CJ ✓	7 790 ✓✓	18 140 ✓✓

12



QUESTION 3

3.1 Calculating wages

3.1.1 **Calculate Mona’s net wages for the week**

Gross wage (40 x R78,50) + (12 x R117,50)	4 550,00	<input checked="" type="checkbox"/> *
3 140 ✓✓	1 410 ✓✓	
Deductions	(1 433,60)	<input checked="" type="checkbox"/> *
PAYE 18% x 4 550	819,00	<input checked="" type="checkbox"/> *
Pension 8% of 3 140	251,20	<input checked="" type="checkbox"/> *
Medical aid	320,00	<input checked="" type="checkbox"/>
UIF 1% x 3 140	31,40	<input checked="" type="checkbox"/> *
Union fees	12,00	<input checked="" type="checkbox"/>
Net wages	3 116,40	<input checked="" type="checkbox"/> *

* One part correct

15

3.1.2 **Amount due to Medical Aid for the week ending:**

R320 ✓ + (320 x R1,20) = R704 ✓ One part correct
384 ✓✓

5

CF PENSION FUND (B12)

2018 Oct 31	Bank ✓	CPJ	565,20 <input checked="" type="checkbox"/>	2018 Oct 28	Wages ✓	WJ	251,20 <input checked="" type="checkbox"/>
					Pension Fund contribution ✓	WJ	314,00 ✓✓
			2 198,00				565,20 <input checked="" type="checkbox"/>

8

3.2 Analysing salary information

3.2.1 **Calculate Piet’s basic monthly salary in his first year of employment**

117 600 ✓/12 ✓ = R9 800 One part correct

3



3.2.2 Calculate the total Sales amount for October 2017.

$4\,240 \checkmark \times 100 \checkmark / 4 \checkmark = 106\,000 \checkmark$ One part correct

4

3.2.3 Total amount paid by the business with regards to Piet's employment

$11\,160 \checkmark + 4\,240 \checkmark + 6\,200 \checkmark = 21\,600 \checkmark$ One part correct

5

QUESTION 4

4.1

4.1.1	Drawings ✓
4.1.2	Debtors ✓
4.1.3	Non-current assets ✓
4.1.4	Current liability ✓
4.1.5	Capital ✓

5

4.2 GENERAL JOURNAL OF BEN TRADERS – 28 February 2019
(narrations are not necessary)

DETAILS	FOL	DEBIT	CREDIT
(i) Telephone ✓		1 820 ✓	
Accrued expenses ✓			1 820 ✓
(ii) Rent Income ✓		7 650 ✓	
Income received in advance ✓			7 650 ✓
99 450/13			
(iii) Prepaid expenses ✓		2 160 ✓	
Insurance ✓			2 160 ✓
3 240 x 4/6			
(iv) Accrued Income ✓		7 200 ✓	
Interest on Fixed Deposit ✓			7 200 ✓
320 000 x 9% x 1/4			

21



4.3.1

Three main points to solve the stock problem

1. Check gifts (stock) delivered to the shop – check to invoice
2. Regular stock counts – check to Trading stock account
3. Layout of gifts carefully designed e.g. smaller items near desk, secure valuable gifts
4. Security tags on gifts (stock)
5. Store inspectors / security guards at doors – check to sales slip
6. Background checks on employees ✓✓ ✓✓ ✓✓

6

4.3.2

Two main points to solve the petty cash problem

1. Payments from petty cash need to be authorised
2. Petty cash vouchers should be completed and authorised
3. The petty cash box should be locked in the office safe
4. Proof of payments should be kept along with the original authorised voucher
5. Vouchers must be recorded in a Petty Cash Journal daily
6. The owner or manager should inspect vouchers and journal on a weekly basis ✓✓ ✓✓

4

4.4.1	Why you think it is necessary to have a Code of Ethics?			
	Code of Ethics may include; Essential need to maintain the good name of the business and uphold moral and ethical values currently found in business practice ✓✓ <input type="checkbox"/>			
4.4.2	Outline THREE principles of ethical behaviour that you expect them to adhere to.			
	<ul style="list-style-type: none"> • Professional behaviour- not doing anything that would reflect poorly on the business. ✓✓<input type="checkbox"/> • Confidentiality- not to reveal confidential information about the business or the clients of the business. ✓✓<input type="checkbox"/> • Integrity – Setting high standards/ honesty with clients and fellows workers etc. ✓✓<input type="checkbox"/> 	<table border="1"> <tr><td> </td></tr> <tr><td style="text-align: center;">8</td></tr> </table>		8
8				

4.4.3. 15% ✓✓ <input type="checkbox"/>	
--	--

2

4.4.4.	
SALARIES	WAGES
Paid monthly	Paid weekly
Earned at fixed amount per month ✓	Earned at an hourly rate/units produced. ✓
Normally no overtime, sometimes receive bonuses, incentives and commission ✓	Earns a basic wage and overtime ✓

4

4.4.5.	
Deductions	Contributions
Amount deducted/subtracted from the gross wage/salary paid to the employees ✓✓	Additional amount paid on behalf of employees by the employer ✓✓

4

4.4.6. SARS(South African Revenue Services) ✓

1

