 Province of the

EASTERN CAPE

EDUCATION

**DIRECTORATE SENIOR CURRICULUM MANAGEMENT (SEN-FET)**

**HOME SCHOOLING SELF-STUDY QUESTIONS AND ANSWER BOOK**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **SUBJECT** | **ACCOUNTING** | **GRADE** | 10 | **DATE** | June week 3 |
| **TOPIC** | Bookkeeping Of A Sole TraderCombined Cash And Credit Tranactions |  **Term 2** |
| **TIME ALLOCATION** | **4 Hours** | **TIPS TO KEEP HEALTHY**1. **WASH YOUR HANDS** thoroughly with soap and water for at least 20 seconds. Alternatively, use hand sanitizer with an alcohol content of at least 60%.2. **PRACTICE SOCIAL DISTANCING** – keep a distance of 1m away from other people.3. **PRACTISE GOOD RESPIRATORY HYGIENE**: cough or sneeze into your elbow or tissue and dispose of the tissue immediately after use.4. **TRY NOT TO TOUCH YOUR FACE.** The virus can be transferred from your hands to your nose, mouth and eyes. It can then enter your body and make you sick. 5. **STAY AT HOME.**  |
| **INSTRUCTIONS** | **See Required**  |

**Activity 6 – 8 : CONCEPTS, INTERNAL CONTROL AND LEDGER**

**Activity 6**

|  |  |
| --- | --- |
| 6.1 | **Concepts ( 6 minutes )** |
|  |  |
|  | Choose an explanation from COLUMN B that matches a concept in COLUMN A. Write only the letter (A – F) next to the question number (6.1.1 – 6.1.5) in the ANSWER BOOK. |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **COLUMN A: Concept** |  | **COLUMN B: Explanation** |  |
| 6.1.1 | Cost price | A | The market value, or agreed exchange value, that will purchase a definite quantity, weight, or other measure of goods or services. |  |
| 6.1.2 | Profit | B | Outflow of money to another person or group to pay for an item or services, or for a category of costs. |  |
| 6.1.3 | Selling price | C | The price that it cost to make a product or buy a product. |  |
| 6.1.4 | Capital | D | If income is more than expenses. |  |
| 6.1.5 | Loss | E | Money invested in the business by the owners. |  |
|  |  | F | If expenses are more than income. |  (5) |

|  |  |  |
| --- | --- | --- |
| 6.2 | **CONCEPTS:** |  |
|  |  |  |
|  | Below are a number of statements. State whether they are TRUE or FALSE. Only write true or false next to the question number. |  |
|  |  |  |
|  | 6.2.1 | Liabilities = Owners Equity – Assets |  |
|  |  |  |  |
|  | 6.2.2 | When a business receives money from a customer, a receipt is issued to the customer. |  |
|  |  |  |  |
|  | 6.2.3 | When the owner deposits money into the bank account of the business he/she receives a deposit slip. |  |
|  |  |  |  |
|  | 6.2.4 | When payments are made from petty cash, there is no need to complete any document. |  |
|  |  |  |  |
|  | 6.2.5 | *A* credit note is used to record stock returned by a credit customer. |  |
|  |  |  | (5) |

**Activity 7 ( 6 minutes )**

|  |  |  |
| --- | --- | --- |
| 7.1 | **INTERNAL CONTROL** |  |
|  |  |  |
|  | Charles Pieterse 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 Charles puts a fixed amount of R500 in the petty cash every month as an impress 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. Suzan could, however, not explain to Charles what happened to the money.

List the main internal control measures that Charles Pieterse should apply in his business to: |  |
|  | 7.1.1 | Solve the stock problem (THREE points) | (6) |
|  |  |  |  |
|  | 7.1.2 | Solve the petty cash problem (TWO points) | (4) |

 **Activity 8 ( 15 minutes )**

**8.1 The following information was extracted from the accounting records of**

 **Mangojane Stores.**

**REQUIRED:**

|  |  |  |
| --- | --- | --- |
|  | Prepare the following accounts in the General Ledger and balance the accounts at the end of the month: |  |
|  |  |  |
|  | 8.1.1 | Bank | (4) |
|  | 8.1.2 | Debtors’ control | (8) |
|  | 8.1.3. | Trading stock | (8) |
|  | 8.1.4 | Cost of sales | (5) |
|  |  |  |  |
|  |  |  |
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| **INFORMATION** |  |
| 1. | Opening balances/totals on 1 April 2020:

|  |  |
| --- | --- |
| Bank | R14 000 |
| Debtors’ control | R34 600 |
| Trading stock | R56 345 |
| Cost of sales | R60 000 |

 |  |

**2. Extract from the journals for April 2020**

**Cash Receipt Journal – April 2020 CRJ 7**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Doc** | **D** | **Details** | **Fol** | **Bank** | **Debtors’ control** | **Discount****allowed** | **Sales** | **Cost** **of****sales** |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  | 91 500 | 11 880 | 240 | 48 000 | 36 000 |

**Cash Payment Journal – April 2020 CPJ 7**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Doc** | **D** | **Details** | **Fol** | **Bank** | **Creditors’ Control** | **Discount****received** | **Debtors’ control** | **Trading****stock** |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  | 98 750 | 45 900 | 1 300 | 900 | 45 000 |

**Creditors Journal – April 2020 CJ 7**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Doc** | **D** | **Details** | **Fol** | **Creditors’ Control** | **Trading****stock** | **Consumable****stores** | **Amount** |
|  |  |  |  |  |  |  |  |
|  |  |  |  | 45 150 | 36 950 | 200 | ? |

**Creditors Allowances Journal – April 2020 CAJ 7**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Doc** | **D** | **Details** | **Fol** | **Creditors’ Control** | **Trading****stock** | **Consumable****stores** | **Amount** |
|  |  |  |  |  |  |  |  |
|  |  |  |  | 3 500 | 3 000 | 200 | ? |

**Debtors Journal – April 2020 DJ 7**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Doc** | **D** | **Details** | **Fol** | **Sales** | **Cost of** **sales** |
|  |  |  |  |  |  |
|  |  |  |  | 36 000 | 24 000 |

**Debtors Allowances Journal – April 2020 DAJ 7**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Doc** | **D** | **Details** | **Fol** | **Debtors Allowances** | **Cost of** **sales** |
|  |  |  |  |  |  |
|  |  |
|  |  |  |  | 4 800 | 3 200 |

**General Journal – April 2020 GJ 7**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  | **Debtors Control** |
| **D** | **Details** | **Debit** | **Credit** | **Debit** | **Credit** |
| 15 | C. Pieterse | 120 |  | 120 |  |
|  |  Interest income |  | 120 |  |  |
|  | Charge account with interest |  |  |  |  |
| 17 | Bad Debts | 650 |  |  |  |
|  |  G. Germaan |  | 650 |  | ? |
|  | Write account off |  |  |  |  |
|  |  |  |  | 120 | ? |

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| **45** |

**Activity 6: Answer Book**

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| **6.1** | **Choose an explanation from COLUMN B that matches a concept in COLUMN A.**

|  |  |
| --- | --- |
| **COLUMN A** | **COLUMN B** |
| 6.1.1 |  |
| 6.1.2 |  |
| 6.1.3 |  |
| 6.1.4 |  |
| 6.1.5 |  |
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| **6.2** | **State whether the statements are true or false**

|  |  |
| --- | --- |
| **COLUMN A** | **COLUMN B** |
| 6.2.1 |  |
| 6.2.2 |  |
| 6.2.3 |  |
| 6.2.4 |  |
| 6.2.5 |  |
|  |  |

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|  | **Activity 7: Answer Book** |  |
| **7.1.1** | **Three main points to solve the stock problem** |

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| **7.1.2** | **Two main points to solve the petty cash problem** |

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**Activity 8: Answer Book**

**GENERAL LEDGER OF MANGOJANE TRADERS**

**BALANCE SHEET SECTION**

 **Bank B3**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2020Apr** | **1** | **Balance** |  |  **14 000** | **2020Apr** | **30** |  |  |  |
|  | **30** |  |  |  |  |  |  |  |  |
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 **Debtors’ control B4**

|  |  |  |  |  |  |  |  |  |  |
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| **2020Apr** | **1** | **Balance** |  |  **34 600** | **2020Apr** | **30** |  |  |  |
|  | **30** | **Sales**  |  |  **36 000** |  |  |  |  |  |
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 **Trading Stock B5**

|  |  |  |  |  |  |  |  |  |  |
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| **2020Apr** | **1** | **Balance** |  |  **56 345** | **2020Apr** | **30** |  |  |  |
|  | **30** |  |  |  |  |  |  |  |  |
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**NOMINAL ACCOUNT SECTION**

**Cost of sales N1**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2020Apr** | **1** | **Total** |  |  **60 000** | **2020Apr** | **30** |  |  |  |
|  | **30** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
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**Activity 9: SOURCE DOCUMENTS, ACCOUNTING EQUATION AND INTERNAL CONTROL (14 marks)**

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| **REQUIRED:** |  |
|  |  |  |
| 9.1 | Choose the correct answer for each of the following transactions. Write only the letter (A – E) next to the question number (9.1.1 – 9.1.7) in the ANSWER BOOK. There is only one correct answer to each question. The bank balance is **favourable** at all times.  |  |
|  |  |  |  |
|  | 9.1.1 | The Petty Cash imprest amount must be restored at the end of February 2020. The following details relate to the February 2020 Petty Cash.* Petty cash imprest amount at the beginning of February 2020, R1000
* Amount paid out of Petty Cash during February 2020, R920
* Amount left in Petty Cash box at end of February 2020, R80

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Cheque counterfoil | ± 1 000 | 0 | 0 |
| B | Petty Cash voucher | ± 100 | 0 | 0 |
| C | Journal voucher | ± 920 | – 920 | 0 |
| D | Petty Cash voucher | – 920 | – 920 | 0 |
| E | Cheque counterfoil | 0 | 0 | 0 |

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|  |  |  |  |
|  | 9.1.2 | A debtor was declared insolvent. His estate will pay out R240. This is equal to 30 cents in the Rand. The remainder of his account must be written off as irrecoverable. |  |
|  |  |  |  |
|  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Receipt | – 800 | – 800 | 0 |
| B | Journal voucher | – 800 | – 800 | 0 |
| C | Receipt | – 560 | – 560 | 0 |
| D | Journal voucher | – 560 | – 560 | 0 |
| E | Debit Note | – 168 | – 168 | 0 |

 |  |
|  |  |  |  |
|  | 9.1.3 | Paid the total amount owing to the Medical Aid Fund as per the February Salaries Journal. The following details were extracted from the Salaries Journal in February:* Total Medical aid deductions R4 118
* Total Medical aid contributions R8 236
 |  |
|  |  |  |  |
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| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Journal voucher | – 12 354 | – 12 354 | 0 |
| B | Journal voucher | – 4 118 | 0 | – 4 118 |
| C | Cheque counterfoil | – 12 354 | 0 | – 12 354 |
| D | Cheque counterfoil | – 8 236 | 0 | – 8 236 |
| E | Receipt | – 12 354 | 0 | – 12 354 |

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| --- | --- | --- | --- |
|  | 9.1.4 | A debtor with a credit balance of R750 must be transferred to the Creditors Ledger. |  |
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| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Journal voucher | – 750 | 0 | + 750 |
| B | Journal voucher | – 750 | 0 | – 750 |
| C | Journal voucher | + 750 | + 750 | 0 |
| D | Journal voucher | + 750 | 0 | + 750 |
| E | Invoice | 0 | ±750 | 0 |

 |  |
|  |  |  |  |
|  | 9.1.5 | A debtor settled his account of R1 500 and received a 3% discount for early settlement of his account.  |
|  |  |  |
|  |  |

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| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Receipt | – 45 | – 45 | 0 |
| B | Journal voucher | ± 1 455 | 0 | 0 |
| C | Invoice | ± 1 455 | – 45 | 0 |
| D | Receipt | ± 1 500 | – 45 | 0 |
| E | Receipt | – 1 500 | 0 | – 1 500 |

 |
|  |  |  |
|  | 9.1.6 | Returned goods originally purchased on account from KB Whole-salers for R550 as they were of poor quality. |  |
|  |  |  |  |
|  |  |

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| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Invoice | ± 550 | 0 | 0 |
| B | Credit Note | ± 550 | 0 | 0 |
| C | General Journal  | – 550 | 0 | – 550 |
| D | Debit Note | – 550 | 0 | – 550 |
| E | Receipt | – 550 | – 550 | 0 |

 |  |
|  |  |  |  |
|  | 9.1.7 | Bought merchandise on account and received a 2½ % trade discount. The goods were originally marked at R3 200 (before the discount). |  |
|  |  |  |  |
|  |  |

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| --- | --- | --- | --- | --- |
| **No.** | **Source Document** | **A**  | **OE**  | **L** |
| A | Invoice | + 3 120 | 0 | + 3 120 |
| B | Receipt | + 3 120 | 0 | + 3 120 |
| C | Receipt | ± 3 120 | 0 | 0 |
| D | Invoice | + 3 200 | 0 | + 3 200 |
| E | Cash counter foil | +3 200 | 0 | + 3 200 |

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|  |  |  |  |
|  |  |  **(7 x 2) (14)** |  |

**Activity 9: Answer Book 14 marks**

* 1. **Write only the chosen letter next to the question number.**

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| --- | --- |
| 9.1.1 |  |
| 9.1.2 |  |
| 9.1.3 |  |
| 9.1.4 |  |
| 9.1.5 |  |
| 9.1.6 |  |
| 9.1.7 |  |

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| **14** |

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| 10.1 | Internal control of business expenses:Mongi Lion, the owner of Lions' stationers, suspects that her secretary is ordering her son's school stationery on the business account and that she is not paying for it. |  |
|  |  |  |  |
|  | **REQUIRED:** |  |
|  |  |  |  |
|  | 10.1.1 | Explain TWO strategies that Mongi should use in her business to stop employees to continue this behaviour. | (4) |
|  |  |  |  |
|  | 10.1.2 | Briefly explain to Mongi at least ONE other area within her business that may require tighter control in order to eliminate employees benefitting unlawfully from her business. | (2) |

**Activity 10 6 marks**

|  |  |  |
| --- | --- | --- |
|  | **Activity 10: Answer Book 6 marks** |  |
| **10.1.1** | **Explain TWO strategies that Mongi should use in her business to stop employees being able to continue this behaviour.** |  |
|  |  |

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|  |  |  |
| **10.1.2** | **Briefly explain to Mongi at least ONE other area within her business that may require tighter control in order to eliminate employees unlawfully benefitting from her business.** |  |
|  |  |

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